



BROWNFIELDS FEDERAL PROGRAMS GUIDE



2005 EDITION

Front Cover Photo: This is a view of the completed Phalen Boulevard in the Phalen Corridor in St. Paul, Minnesota. The Phalen Corridor is intended to link neighborhood businesses to downtown Saint Paul and Interstate 35 East. Over the past 25 years, the area has lost 2,500 jobs, causing as much as 17 percent unemployment. In addition, 50 to 100 years of manufacturing activity has left the City of St. Paul with contaminated industrial properties that lay vacant and underutilized.

In order to attract new businesses to downtown St. Paul, transportation improvements, such as this road, will be made in the Phalen Corridor and 100+ acres of brownfields will be cleaned up and transformed into prosperous business parks.

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Overview

Successful brownfields cleanup and redevelopment results from sustained coordination of stakeholders, phases of work, technical resources and funding across a several year period. This programs guide outlines the technical and financial federal resources that can be leveraged for brownfields cleanup and redevelopment. The depth and breadth of federal resources are great and apply to as many types of redevelopment as exist. While experience is the best teacher when seeking and getting federal support for brownfields cleanup and redevelopment, there are some basic concepts that have proven fruitful over the course of EPA's Brownfields Program. In general, these ideas boil down to the need to think broadly about a project and plan early for its success.

It is important to remember when seeking funding and assistance for brownfields cleanup and redevelopment that while many federal programs are applicable to brownfields properties, the term *brownfield* is often not used. As a rule, when looking for resources, the best path to success is one in which the project at hand is described in reference to the funding organization. For example, if Anytown, USA has a brownfields property that is between a bus station and a park, when seeking assistance from the Department of Transportation or the National Park Service, describe the property in terms of transportation needs and parks — not merely in terms of brownfields because the staff member at those agencies reading the application may not know anything about brownfields.

Brownfields Planning

Jointly plan for and consider the social, economic and environmental factors from the outset of the project when pursuing any kind of assistance.

Any funder is essentially investing in the success of the cleanup and redevelopment. To that end, a funder wants to see that the social, economic and environmental soundness of the project is well thought out. This might include a calendar, maps or demonstrations of stakeholders working together (i.e., newspaper articles, financial letters of commitment, letters of support). Plan ahead, create a vision for your effort and be able to draw the picture—tell the story early and often.

Integrate brownfields with community and regional projects.

Answer these questions: how does the brownfields land use coordinate with other local/regional plans? How are various components of government working together to achieve some sort of social, economic or environmental results? Think broadly about what sort of land use, transportation, education, public health, job creation/training or community development/housing efforts the cleanup and redevelopment is touching or catalyzing. If a funder does not specifically fund brownfields, think about how to describe your project in other terms.

Think through the lifespan of the project.

Have an eye on funding for parts of your project that are years ahead. Talk with federal officials about your ideas and learn what others who have been funded are doing. The more familiar that an official is with your project, the more guidance and feedback you may receive.

Expect defeat, delays and rejections, and make corrections.

Use set backs as learning experiences; if your proposal is denied, call the funding office and ask for an explanation about what your proposal was lacking and how it could be made stronger. If you feel as if your project was not clearly understood, explain your effort to the federal official to see what factors the person responds to and include it in the next proposal. If at first you do not succeed, seek feedback, keep in touch throughout the year and apply again for funding.

Diversify funding.

As this report reveals, the federal government has a wealth of resources available for brownfields projects. However, it is important to note that each funding op-

portunity is for a specific purpose and grant seekers should not expect to address all brownfields problems with a single grant. Likewise, while the federal government has a range of resources, states, regions and local communities also have resources that can be leveraged. Sometimes state funding can be obtained in concert with federal funds. Likewise, local and regional foundations and corporate interests are often interested in investing in community-based efforts. Like any solid portfolio, brownfields project teams should look to a range of grants, loans and other fiscal incentives across a spectrum of funders. Also, it is important to remember that many funding organizations are simply not familiar with brownfields, so asking them if they fund brownfields projects would likely yield a negative response. However, if you describe a brownfields project in terms that they understand, you may get positive results about available funding opportunities.

Provide feedback and communicate with funders.

Your success story is your funder's success story. Be sure to provide information, photos and narrative text that demonstrate progress. At the same time, give your funder a picture of where the project is going and what the subsequent needs are.

Brownfields is only a name.

If a grant opportunity does not specifically mention brownfields, these projects may still be eligible for assistance. Brownfields projects are eligible for many types of funding across federal agencies. Many of the programs outlined in this report would not describe themselves as brownfields programs, even though they are perfectly aligned.

Why Are There Federal Programs to Support Brownfields?

Brownfields have different cleanup and redevelopment costs and other issues that can hinder private investment. For these reasons, support from the federal government can stimulate interest from other technical and financial sectors to effect results, such as paying for assessments or cleanup costs. In addition, oftentimes the infrastructure in and around brownfields properties is old and dilapidated and needs a public investment to bring it up to today's standards of transportation, water supplies or electricity. Support for infrastructure also helps to coordinate local, state and federal efforts. When the federal government funds some of these initial costs, revitalization will ultimately be an economic stimulus that contributes tax dollars and other resources back to the community.

How Can Public Programs Help?

While federal resources support many projects, others are funded entirely by states and local governments; and still others with private investments. Using public programs to strengthen is a goal of federal brownfields programs. Therefore, the most successful brownfields cleanup and redevelopment efforts recognize private lender and developer concerns as well as perceived risks. They aim to help local governments and private parties address financing concerns and better manage brownfields risks by meeting at least one of the following objectives.

Ensure a minimum return.

Incentives such as loan guarantees or companion loans can ensure a minimum return or quantify any potential loss. Public programs can also offer support, such as environmental insurance, that limits the borrower's exposure to unforeseen problems that may affect the value of collateral or the borrower's ability to pay.

Reduce the borrower's cost of financing.

Financial tools such as loan subsidies can reduce interest costs on project loans (for example, with tax-exempt financing or low-interest loans). Program staff also can reduce loan underwriting and documentation costs by offering loan packaging assistance or technical support, such as the type that might be available through Community Development Corporations (CDCs). In some cases, public entities can help cut borrowing costs by partnering with site users to prepare records and help maintain institutional controls.

Offer terms or incentives to ease the borrower's financial situation.

Tools like tax abatements, tax credits or grace periods can improve the project's cash flow and make the project numbers work. These tools can be helpful in mixed-use project scenarios that include open space. Similarly, training and technical assistance services can offset project costs and reduce a property re-user's need for cash.

Offer assistance or information that provides investor and lender comfort.

Links to information about new remedial technologies, along with performance data for new technologies and institutional controls, or insurance that can help transfer risk, can increase the investor's and lender's comfort level with a brownfields project.

Provide direct financing help.

When contamination is suspected, money for site assessment and cleanup is often the hardest piece of the financing puzzle to solve. Therefore, providing grants or forgivable loans for these purposes may be critical.

About this Guide

This guidebook is designed to present information about a range of federal resources that can provide technical and financial support to brownfields cleanup and redevelopment. In addition to program information, the report includes a quick reference matrix that identifies specific types of projects with specific funders. Review the matrix to see how many different types of projects can be supported through federal programs. Might there be a bike path or public transportation stop on your site? Might there be some recreational or urban forestry facilities? The matrix can help to match up your project needs with potential funding sources. The guidebook also has an outline of steps for successful grant writing and a process chart and check lists that can be adapted.

The bulk of the guide is an overview of the federal program areas with funding information organized by federal agency. There are also snapshots of brownfields projects that have successfully leveraged funding. These snapshots are meant to stimulate thinking about how funds can be creatively used in brownfields cleanup and redevelopment. Contact information and resources are listed in the guide. Web sites to particular programs are noted under the program description. If there are not specific Web sites to programs, the agency Web site is listed under the contact information.

This guide contains a brief discussion of additional federal tools and resources and other issues to consider, such as coordination of state and federal funds. There is also an extensive overview of tax credit information and other possible financial incentives.

This guide is only a guide. It is not the only source of information available about funding that can be applied to brownfields. Federal programs are evolving and there are continually different programs being developed, some with applications for brownfields. To keep up to date on federal programs, please refer to the resources below:

Federal Register

www.gpoaccess.gov/fr/index.html

Catalog for Federal Domestic Assistance

www.cfda.gov

Grants.gov

www.grants.gov

A Note on Using the Matrix

This matrix is designed to answer the question: “If I want to do a certain kind of redevelopment, which agencies have programs that best apply to my needs?” While there are many agencies whose programs can be applied to a range of brownfields cleanup and redevelopment settings, this matrix gives an overview of ones whose programs most closely align with specific cleanup and redevelopment objectives. Nonetheless, it is worthwhile to be familiar with the broad range of programs that can be used across the various stages of cleanup and redevelopment.

Some programs from the guidebook are combined on this matrix for ease of use (e.g. Department of Transportation).

Technical Assistance •

Financial Assistance \$

Federal Programs	Dept. of Agriculture	Appalachian Regional Commission	Army Corps of Engineers- Dept. of Defense	Office of Economic Adjustment- Dept. of Defense	Economic Development Administration- Dept. of Commerce	Dept. of Energy	EPA	Federal Housing Finance Board	General Services Administration
OVERALL COMMUNITY AND ECONOMIC DEVELOPMENT									
Brightfields/Sustainability						•			
Community Engagement/Education		•					• \$		
Public Health		•					• \$		
Smart Growth							• \$		
SPECIFIC COMMUNITY / ECONOMIC DEVELOPMENT									
Commercial/Industrial		• \$			\$		• \$		•
DoD/BRAC				• \$		•	•		•
Historic/Cultural Preservation			•				• \$		•
Job Training		\$			\$		• \$		• \$
Low-income Housing							• \$	\$	
Mine-scarred Lands		• \$	•				• \$		
Ports/Waterfront			•				\$		
Railfields							\$		
Residential							• \$	\$	
Rural	• \$	• \$					• \$		
Tribal							• \$		
QUALITY OF LIFE / REDEVELOPMENT ENHANCEMENTS									
Bike Paths							• \$		
Greenspace	• \$					•	• \$		
Parks/Recreation							• \$		
Species/Habitats							• \$		
Urban Forest	• \$						• \$		
SITE PREPARATION FOR REDEVELOPMENT									
Assessment		•			\$		• \$		
Cleanup			•		\$		• \$		
Demolition			•		\$				
Project Financing Development	\$				\$		\$		
Planning	•	•		• \$			•		
Structural Rehabilitation				• \$					
Infrastructure									
Water Infrastructure	•		•				\$		
Other Infrastructure	•	\$	•	• \$					

Department of Agriculture — Forest Service
Department of Agriculture — Rural Development
Appalachian Regional Commission
Army Corps of Engineers — Department of Defense
Office of Economic Adjustment — Department of Defense
Economic Development Administration — Department of Commerce
Department of Energy
Environmental Protection Agency
Federal Housing Finance Board
General Services Administration
Department of Health and Human Services
Agency for Toxic Substances and Disease Registry
National Institute of Environmental Health Sciences
Office of Community Services
Department of Housing and Urban Development
Department of Justice
Department of Labor
National Oceanic and Atmospheric Administration —
Department of Commerce
National Park Service — Department of Interior
Office of Surface Mining — Department of Interior
Small Business Administration
Department of Transportation — Federal Highway Administration
Department of Transportation — Federal Transit Administration

PROGRAM DESCRIPTION

Mission

The Forest Service's mission is to achieve quality sustainable land management in order to meet the diverse needs of people. In connection with brownfields redevelopment, the Forest Service is helping states and communities use the forests wisely in order to promote rural economic development and a quality rural environment.

Brownfields Connections

- Provides technical assistance for brownfields projects in selected areas — targeted to EPA grantee local governments, federal Empowerment Communities and Enterprise Zones.
- Offers technical and financial assistance for sustainable redevelopment and reuse projects — targeted to state and local governments and community-based groups in Atlanta, Seattle, New York, Chicago, San Francisco, Los Angeles, Denver, Las Vegas, East St. Louis, South Florida (four county area), Philadelphia, Boston and Buffalo.
- Works with EPA and other federal agencies to assist with the redevelopment of brownfields located in rural communities or near mine-scarred lands.
- Supports communities that want to convert existing brownfields into natural open space parks, tree-covered linear parks and other land conservation projects.
- Assists rural and urban brownfields communities in applying for USDA grants and loans.

RESOURCES

FINANCIAL ASSISTANCE

USDA Urban Resources Partnership (URP)

Provides funding and technical assistance to community-led environmental projects. The Forest Service has selected 13 areas (listed below) where the URP has been established. The URP works closely with community development corporations as a mechanism to make its resources available.

Eligibility Requirements: Atlanta, Seattle, New York, Chicago, San Francisco, Los Angeles, Denver, Las Vegas, East St. Louis, South Florida (four county area), Philadelphia, Boston and Buffalo.

Availability: Only available in the 13 areas listed above. Additional communities may be added through a competitive application process as other cities “graduate” from receiving direct federal support.

Urban and Community Forestry (UCF) Program

The UCF program provides financial and technical assistance to maintain, restore and improve the health of urban trees, forests, greenspace and sustainable forest ecosystems.

Eligibility Requirements: States are required to have an urban and community forestry program coordinator, volunteer/partnership coordination, an urban and community forestry council and a state program strategic plan (five-year plan).

Availability: Funding for the UCF program is an annual process dependant upon Congressional appropriation.

Uses/Applications: Promotes the conservation of open greenspace in order to guide growth and revitalize city centers and older suburbs through a training program and informational resources.

TECHNICAL ASSISTANCE

State Urban Forestry Coordinators

These coordinators work closely with municipal governments to develop strategic plans for brownfields reuse that protects natural resources.

Open Space Development and Tree Planting

Efforts are being made to provide technical assistance and funding for open space development and tree planting, including the National Tree Trust, American Forests, ReLeaf Fund and National Arbor Day Foundation. Research also is being conducted on the effects of using trees during brownfields remediation.

Strategic Planning and Resource Assessment

The Forest Service's ecosystem approach to management integrates ecological, economic and social factors to maintain and enhance the quality of the environment to meet current and future needs. Through technical and financial assistance, the Forest Service assists states and private landowners in practicing good stewardship, promoting rural economic development and improving the natural environment of cities and communities.

ADDITIONAL INFORMATION

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Main Site

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SNAPSHOT Old Town, Maine

A former factory, located on a three-acre waterfront site along the Penobscot River in Old Town, Maine, is undergoing redevelopment activities. In the late 1980s, city officials became interested in acquiring the site for redevelopment as part of ongoing efforts to revitalize the downtown. Cleanup activities included removal of extensive structural and asbestos materials, four underground storage tanks, several electrical transformers containing PCBs, stock tanks, the contents of an oil/water separator, and removal and treatment of 2,570 cubic yards of petroleum contaminated soil. Upon completion of these activities, the City of Old Town acquired the property in 1997. The property now contains a 9,000-square foot retail building, “Marsh Island Carry”, and has three tenants. After identifying landscaping as an important redevelopment need, the City of Old Town applied for and received \$8,000 from the Forest Service for tree planting.

PROGRAM DESCRIPTION

Mission

The United States Department of Agriculture is in a key position to support activities critical to community brownfields revitalization efforts. The Rural Development office operates three types of programs: Business and Cooperative Programs, Housing Programs and Utilities Programs. Efforts in the first two areas are most suited to meet the challenges of rural brownfields. Although the Rural Development office does not have any brownfields-specific programs, the assistance it provides can be applied to brownfields-related activities.

Brownfields Connections

- Provides grant, loans and loan guarantee assistance for a variety of business, commercial and industrial projects in small towns and rural areas.
- Supports the installation and improvement of critical infrastructure needed to support economic development.
- Helps finance the construction of key public facilities.

RESOURCES

FINANCIAL ASSISTANCE

Business and Industry (B&I) Guaranteed Loan Program

The B&I program provides financial backing for rural businesses. The program guarantees up to 80 percent of a loan made by commercial lenders to businesses located in rural areas. The program is administered at the state level by USDA Rural Development state offices.

Eligibility Requirements: Eligible entities include: cooperatives, corporations, partnerships, trusts or other profit or nonprofit entities; Indian tribes; and municipalities, counties or other local governments.

Availability: The maximum loan size is \$40,000,000

Uses/Applications:

- Buildings and real estate development
- Machinery and equipment
- Debt refinancing

http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

Intermediary Relending Program (IRP)

This program capitalizes locally run revolving loan funds for small businesses not able to secure adequate bank financing on their own. Like the B&I program, resources from the IRP can be used for real estate and equipment purposes.

Eligibility Requirements: Intermediaries may be private nonprofit corporations, public agencies, Indian tribes or cooperatives.

Availability: Loans to intermediaries are scheduled for repayment over a period of 30 years. The interest rate on loans to intermediaries is one percent per annum.

Uses/Applications (all apply to loans from intermediaries to ultimate recipients):

- Establish a new businesses or expand existing businesses
- Create employment opportunities or save existing jobs
- Community development projects

<http://www.rurdev.usda.gov/rbs/busp/irp.htm>

The Rural Business Opportunity Grant (RBOG) Program

The RBOG program promotes sustainable economic development in rural communities with exceptional needs. This program may be particularly helpful as grants may be made for the identification and analysis of business opportunities; the establishment of support centers to assist with the creation of new rural businesses; to conduct regional, community and local economic development planning; and other related training, planning and coordination efforts.

Eligibility Requirements: Eligible entities include: a public body, nonprofit corporation, Indian tribe or cooperative that has expertise in the activities proposed. The project must demonstrate that the funding will result in economic development. The project must have performance measures.

Availability: Priority points for funding are awarded to projects that have sustainability and quality of the economic activity expected; leveraging of other funds; economic conditions in the service area; and usefulness as a new best practice.

Uses/Applications:

- Provide economic planning for rural communities
- Provide technical assistance for rural businesses
- Provide training for rural entrepreneurs or economic development officials

<http://www.rurdev.usda.gov/rbs/busp/rbog.htm>

The Rural Business Enterprise Grant (RBEG) Program

The RBEG program provides grants to public bodies and private nonprofit corporations for projects designed to finance and facilitate the development of small and emerging private for-profit or nonprofit small businesses. RBEG grants may include funding for infrastructure items such as access to streets and roads, utility extensions, water supply and waste disposal facilities and so forth. In addition, RBEG grants may be utilized for the acquisition of land, buildings, plants, equipment, parking areas and technical assistance regarding transportation services.

Eligibility Requirements: Nonprofits, local governments, states and tribes. The small and emerging businesses to be assisted must have fewer than 50 new employees and less than \$1,000,000 in revenue.

<http://www.rurdev.usda.gov/rbs/busp/rbeg.htm>

The Rural Economic Development Loan Program

This program provides funds to intermediaries that have or have had a borrowing relationship with the Rural Utility Service (RUS). Intermediaries may receive zero-interest loans which are passed through to rural small businesses for the purpose of assisting business and creating new jobs or retaining existing jobs.

<http://www.rurdev.usda.gov/rbs/busp/redl.htm>

Rural Economic Development Grant Program

This program provides grant funds to intermediaries to establish revolving loan funds for use in making loans to rural small businesses for the creation and retention of viable jobs in rural areas.

<http://www.rurdev.usda.gov/rbs/busp/redg.htm>

Community Facilities Program: Guaranteed Loans, Direct Loans and Grants

The guarantee portion of this program provides an incentive for commercial lending that will develop essential community facilities. The direct loan program does the same thing, except that USDA functions as the lender. In either case, the loans can run for up to 40 years or for the useful life of the facility (if less than that). In the case of distressed rural communities that cannot qualify for a private or USDA loan for essential community facilities, USDA Rural Development can make grants.

Water and Waste Disposal Loans, Loan Guarantees, and Grants

USDA Rural Development offers several programs aimed at developing and repairing water, sewer, storm drainage and solid waste systems in rural areas with populations of 10,000 or less. These programs can be used to support industrial development activities.

Renewable Energy and Energy Efficiency Program (REEEP)

This program has up to \$22,800,000 in competitive grant funds available for fiscal year 2005 to purchase renewable energy systems and make energy efficiency improvements for agricultural producers and rural small businesses in order to reduce energy costs and consumption.

<http://www.rurdev.usda.gov/rbs/farbill/index.html>

ADDITIONAL INFORMATION

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Main Site

<http://www.rurdev.usda.gov>

State Contacts

http://www.rurdev.usda.gov/recd_map.html

SNAPSHOT
Cape Charles, Virginia

An abandoned, 25-acre dump that once lay at the heart of a 200-acre property in Cape Charles, Virginia, has been developed into an eco-industrial park. Created by Northampton County and the Town of Cape Charles, the Sustainable Technology Park incorporates natural habitat protection into an overall eco-industrial park. The county is designated a rural Enterprise Community by USDA. The Enterprise Communities program provides new opportunities for growth and revitalization through coordinating economic, physical, environmental, community and human development efforts. USDA awarded a \$750,000 Rural Business Enterprise grant to fund infrastructure improvements on the property. The site is a national eco-industrial park demonstration project and showcases advanced facilities in resource efficiency and pollution prevention.

PROGRAM DESCRIPTION

Mission

The Appalachian Regional Commission's (ARC) mission is to be a strategic partner and advocate for sustainable community and economic development in Appalachia. ARC is a regional economic development agency representing a unique partnership of federal, state and local government. Established by an act of Congress in 1965, the Commission is composed of the governors of the 13 Appalachian states and a federal co-chair, who is appointed by the president. Local participation is provided through multi-county local development districts with boards made up of elected officials, business people and other local leaders. Each year Congress appropriates funds, which ARC allocates among its member states. The governors draw up annual state Appalachian strategies and, with ARC approval, select projects to implement them. ARC projects include a safe and efficient highway system; education, job-training and health-care programs; water and sewer systems; housing; and other essentials of comprehensive economic development.

Brownfields Connections

- Although ARC does not have any brownfields-specific programs, the agency's current strategic plan seeks to raise awareness of and leverage support for the reclamation and reuse of brownfields. Brownfields are also a key element of ARC's Asset-Based Development initiative. The agency has made numerous grants for brownfields-related projects since 1965.
- ARC entered into a memorandum of understanding (MOU) with EPA in fiscal year 2000 that calls for the two agencies to coordinate policies and activities in support of brownfields assessments, cleanup and redevelopment. ARC also participates in the Brownfields Federal Partnership and Mine-Scarred Lands working group — targeted to the three mine-scarred lands pilot projects located in Appalachia.

RESOURCES

FINANCIAL ASSISTANCE

Area Development Program

Grants are awarded to projects that address the four goals identified by ARC in its strategic plan and that can demonstrate measurable results. Brownfields projects could relate to any of these strategic goals:

- Increase job opportunities and per capita income in Appalachia to reach parity with the nation.
- Strengthen the capacity of the Appalachian people to compete in the global economy.
- Develop and improve Appalachia's infrastructure to make the region economically competitive.
- Build the Appalachian Development Highway System to reduce Appalachia's isolation.

Most ARC grants originate at the state level. Potential applicants should contact their state ARC program manager to request a pre-application package. The local development district serving the county in which the project is located may also provide guidance on a project's eligibility for funding and assistance in preparing a grant application.

Eligibility Requirements: Typically, ARC grants are awarded to state and local agencies and governmental entities (e.g., economic development authorities), local governing boards (e.g., county councils), and nonprofit organizations (e.g., schools and organizations that build low-cost housing).

Limitations: ARC funding is available for projects in 410 designated counties in the 13 Appalachian states. ARC focuses resources on distressed counties and designated distressed areas. Because individual states may limit ARC funding to specific areas, ARC program managers should be consulted for information on their state's ARC funding priorities.

ARC expects grantees to contribute matching resources to projects — to the extent they are able to do so — and to seek additional non-ARC funding assistance in a diligent manner. ARC has specific requirements for matching funds; individual states may have additional requirements. State ARC program managers or local development districts can provide information about state matching requirements.

Availability: All applicants considering brownfields redevelopment activities should contact their state ARC program manager to request pre-application information.

Uses/Applications: Grants and technical resources can be used for brownfields related activities including:

- Planning and technical assistance to address brownfields problems
- Infrastructure needed to convert brownfields to new economic uses

- Conversion of obsolete industrial sites to public purposes

<http://www.arc.gov/index.do?nodeId=8>

Mine-Scarred Lands (MSL) Working Group

In July 2003, the MSL Working Group, which includes ARC, was established as a component of the Brownfields Federal Partnership. In order to learn about mine-scarred lands challenges and how federal, state and local entities can work together, the MSL Working Group identified six demonstration projects including three Appalachian coal communities. State and federal partners are providing resources and assistance to the communities to expedite redevelopment and create models that other mine-scarred lands can adapt in redevelopment.

Eligibility Requirements: Six pilot projects, three of which are located in the ARC region, have been selected and activities are underway.

Limitations: There are no plans for other rounds of demonstration projects. However, stakeholders interested in learning about current MSL efforts should contact ARC.

Availability: Assistance is currently being provided to the three Appalachian MSL pilot projects. Contact ARC for alternative options for assistance.

Uses/Applications:

- Address acid mine drainage issues associated with mine-scarred lands
- Develop economic development plans
- Attract investors and private sector stakeholders
- Coordinate acid mine drainage cleanup with other infrastructure issues (e.g. waste water systems)

ADDITIONAL INFORMATION

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Main Site

<http://www.arc.gov>

ARC State Program Managers

<http://www.arc.gov/index.do?nodeId=13>

Local Development District Contacts

<http://www.arc.gov/index.do?nodeId=20>

ARC-Designated Distressed Counties

<http://www.arc.gov/index.do?nodeId=2303>

PROGRAM DESCRIPTION

Mission

The U.S. Army Corps of Engineers (USACE) provides assistance in development and management of the nation's water resources in an environmentally sustainable, economic and technically sound manner.

Brownfields Connections

- Aligning water resources development and management efforts with community brownfields objectives by providing reimbursable technical services to other federal agencies engaged in brownfields activities — targeted to local governments working with federal agencies.
- Executes Civil Works water resource projects emphasizing integrated and sustainable systems-based solutions for ecosystem restoration, inland and coastal navigation, and flood and storm damage reduction — targeted to state and local governments.

RESOURCES

TECHNICAL ASSISTANCE

Reimbursable Support

USACE may perform technical oversight and management of engineering, environmental and construction contracts, including technical assistance for brownfields-related activities, for non-Department of Defense (DOD) federal agencies, and states. The work is fully funded by the customer (e.g. local government).

Uses/Applications:

- Technical and project management capabilities are available for most water and land related natural resources activities
- Engineering, facility design, construction management and other technical services
- Environmental restoration

Planning Assistance

USACE provides planning assistance for utilization and conservation of the water and related resources of drainage basins.

Eligibility Requirements: Eligible entities include states and Indian tribes.

Limitations: Planning assistance requires a 50 percent cost share between USACE and the non-federal sponsor.

Availability: Demand for planning assistance more often than not exceeds available funding.

Centers of Corps Expertise

There are several USACE Centers of Expertise whose specialized capabilities could be helpful in solving specific brownfields challenges. These include the Curation and Management of Archaeological Collections Center of Expertise; the Hazardous, Toxic and Radioactive Waste Center of Expertise; the Photogrammetric Mapping Center; the expert center on Preservation of Historic Buildings and Structures; and the Rapid Response Hazardous, Toxic, and Radioactive Waste Center. Assistance from these Centers is generally available on a reimbursable basis.

Limitations: Reimbursable support from USACE is not available to private entities.

Availability: Priority is given to requests for support that have national significance.

Uses/Applications:

- Preservation of historic buildings and structures
- Rapid response to hazardous, toxic and radioactive waste incidents

Curation and Management of Archaeological Collections Center of Expertise

<http://www.mvs.usace.army.mil/engr/curation/home.htm>

Hazardous, Toxic and Radioactive Waste Center of Expertise

<http://www.environmental.usace.army.mil/info/technical/hp/hpwelcome/hprad/hpexpert/hpexpert.html>

Photogrammetric Mapping Center

<http://mvs-wc.mvs.usace.army.mil/tex.html>

Preservation of Historic Buildings and Structures

<http://www.nws.usace.army.mil/PublicMenu/Menu.cfm?sitename=historic&pagename=mainpage>

Rapid Response HTRW Center

<http://www.nwo.usace.army.mil/html/cd-rr/default.htm>

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Main Site

<http://www.usace.army.mil>

Program Description and Regional Contacts

<http://hq.environmental.usace.army.mil/programs/brownfields/bfpoc/bfpoc.html>

SNAPSHOT **Cowpens, South Carolina**

When a baby clothes manufacturing plant closed in 1990, Cowpens, South Carolina lost more than 400 jobs and gained abandoned buildings containing unknown amounts of contamination. Inside the dormant facility, 85 drums of industrial chemicals were discovered with no responsible party to pay for cleanup. The project successfully leveraged funding for technical services related to the cleanup of the property and development of a proposed Industrial Ecology Park, including \$40,000 from USACE to conduct a ground water sampling investigation on the site and in the surrounding community.

PROGRAM DESCRIPTION

Mission

The Office of Economic Adjustment (OEA) is the Department of Defense's (DOD) primary source for assisting communities that are adversely impacted by Defense program changes, including base closures or realignments, base expansions, and contract or program cancellations. Within OEA, the primary tool for DOD's economic adjustment projects is the Defense Economic Adjustment program for base realignment and closure (BRAC).

Brownfields Connections

- Provides extensive information on cleanup and redevelopment of closed military facilities.

RESOURCES

FINANCIAL ASSISTANCE

Community Base Reuse Planning Grants

Planning grants are provided to assist local governments or states in developing reuse/redevelopment plans for military installations approved for closure or realignment.

Eligibility Requirements: Local governments and states whose communities are affected by base realignment and closure are eligible.

Uses/Applications:

- Development of a community base reuse/redevelopment plan

Community Economic Adjustment Assistance for Advance Planning

Advance planning funding is provided to assist state, regional governmental organizations or local governments to undertake economic adjustment planning activities intended to lessen an area's dependence on military base-related defense spending and/or to prepare strategies and schematic plans for the potential reuse or redevelopment of active bases.

Eligibility Requirements: Eligible entities include: states, regional governmental organizations or local governments.

Availability: Annual grant awards can be up to \$175,000.

Uses/Applications:

- Preparation of plans to lessen local economic dependency on DOD expenditures.
- Preparation of plans for organizing a community in response to a closure or realignment.
- Preparation of preliminary strategies and schematic plans for the potential reuse or redevelopment of existing bases.

Growth Management Planning Assistance Grants

These grants are provided to assist local governments or states on behalf of local governments to undertake community economic adjustment planning activities in response to the establishment or expansion of a DOD military installation. This activity is directed toward impacts resulting from the opening or expansion of a military installation, and the additional civilian public facilities and services that may be required to support the increased military presence.

Eligibility Requirements: Eligible entities include local governments and states.

Limitations: Applicant must provide documentation that: a) the Defense action has occurred or will occur; b) it has imposed or is likely to impose a direct and significant adverse consequence; and c) other impact assistance is not available.

Availability: Annual grant awards typically range from \$100,000-\$300,000.

TECHNICAL ASSISTANCE

Defense Economic Adjustment Program for BRAC

OEA encourages communities to integrate cleanup issues into the overall planning for redevelopment, and since many base closure actions result in extensive planning and review of economic development goals, there is often an opportunity to adapt the concepts and techniques of brownfields redevelopment as elements of a larger set of community development actions.

Eligibility Requirements: OEA can provide technical and financial assistance to state and local governments directly impacted by a base closure or realignment.

Restrictions: Grants are restricted to state and local governments to plan and carry out defense adjustment strategies.

Availability: Requests for OEA assistance can be made by, or on behalf of, state and/or local elected officials.

Uses/Applications:

- Provide expertise in: economic, industrial and community development; urban and land use planning; program and economic impact analysis; real estate; and worker retraining
- Assist communities in putting together an adjustment program that combines federal, state, local and private resources

<http://www.defenselink.mil/brac>

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Main Site

<http://www.oea.gov>

PROGRAM DESCRIPTION

Mission

The Economic Development Administration (EDA) mission is “to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.” EDA underwent reauthorization in 2004 and included the following brownfields-related provisions:

- Authorizes grants for projects to expand, redevelop or reuse brownfields, within EDA’s existing program structure.
- Authorizes grants for projects to develop brightfields sites, which will use solar energy technologies to develop abandoned or contaminated sites for commercial use.

EDA provides funding to promote infrastructure development, business development and economic revitalization.

Note: At the time of publication, EDA anticipated internal changes; interested parties should consult the EDA Web site for up-to-date information.

Brownfields Connections

- Funds public works and infrastructure enhancements — targeted to state, local and tribal governments; public and private nonprofit organizations
- Capitalizes revolving loan funds for state and local implementation of strategies to attract private sector investment — targeted to local governments, states and regional development organizations
- Provides planning grants to economically distressed states and regions — targeted to state, regional, local and tribal governments
- Funds infrastructure modernization at closed military bases — targeted to local governments, development organizations and reuse authorities

RESOURCES

FINANCIAL ASSISTANCE

Public Works and Economic Development Facilities Program

The Public Works and Economic Development Program is EDA’s primary initiative that affects the redevelopment of brownfields.

Eligibility Requirements: Eligible applicants include: Economic Development Districts; Indian tribes or consortia of Indian tribes; states; cities or other political subdivisions; or institutions of higher education.

Limitations: No grants to individuals.

Availability: \$164,367,851 was appropriated for fiscal year 2005.

Uses/Applications:

- Support the construction or rehabilitation of essential public infrastructure and development facilities necessary to generate private sector jobs and investment
- Redevelopment of brownfields, especially the modernization of industrial parks
- Technology-led development and eco-industrial development on brownfield sites
- Heritage preservation development investments such as those supported by the Preserve America Initiative

Economic Adjustment Assistance Program

This program helps states and local governments that experience sudden and severe economic dislocation or long-term economic deterioration to design and implement adjustment and redevelopment strategies. EDA has targeted the redevelopment of brownfields as a necessary and vital component in fulfilling program objectives.

Eligibility Requirements: Eligible entities include: institutions of higher learning, nonprofit organizations, and state and local governments.

Limitations: No grants to individuals.

Availability: \$44,793,601 was appropriated for fiscal year 2005.

Uses/Applications:

- Assist regions impacted by coal industry downsizing, timber industry issues and Alaska fishing-dependent communities
- Assist communities that experience manufacturing job losses (e.g., major layoffs, plant closures, trade impacts, defense restructuring or disasters)

Planning Program for Economic Development Districts, Indian Tribes, States and Other Planning Organizations

Through the Districts, Tribes and Redevelopment Areas Program, EDA promotes workforce development activities in distressed areas at the local level. Presently, EDA supports 65 Indian tribes and over 300 economic development districts. Grants under the States and Urban Areas Program assist economically distressed states, sub-state planning regions, cities and urban counties to undertake significant new economic development planning, policy-making and implementation efforts.

Eligibility Requirements: Eligible applicants include: Economic Development Districts, Indian tribes, states and other planning organizations.

Limitations: In some cases, applications may be limited to entities who have already received funding.

Availability: \$24,172,759 was appropriated for fiscal year 2005.

TECHNICAL ASSISTANCE

Technical Assistance Program: Local Technical Assistance; National Technical Assistance; and University Centers

Funds technical assistance projects to promote competitiveness and innovation.

Eligibility Requirements: Eligible entities include: Economic Development Districts; Indian tribes or consortia of Indian tribes; states; cities or other political subdivisions; or institutions of higher education.

Limitations: Availability of program funds is at EDA's sole discretion. In some cases, applications may be restricted to entities who have already received funding. Universities may not have programs aligned with brownfields cleanup and redevelopment, however brownfields programs can be aligned to fit the missions and goals of the university programs.

Availability: \$8,322,335 was appropriated for fiscal year 2005.

ADDITIONAL INFO

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Main Site

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**SNAPSHOT
Rumford, Maine**

A property selected by the Maine Department of Environmental Protection for redevelopment included a four-story, 66,000-square-foot building that was once part of the Mead Paper complex. With industrial activity dating back to the early 1900s, the Mead complex, located in the Town of Rumford, shut-down in 1998 after it announced it was leaving the specialty paper business. Working in partnership with the River Valley Growth Council, Mead realized the site could be reused as a facility to develop work skills and create new jobs for local citizens. The company donated the property and building to the River Valley Growth Council. Approximately \$30,000 of the state's EPA Brownfields grant was used to perform assessments on the property. This \$2,000,000 site restoration project is funded by a \$1,300,000 public works grant from EDA, with the Maine Department of Economic and Community Development funding the remainder.

PROGRAM DESCRIPTION

Mission

The Department of Energy (DOE) supports brownfields reuse by providing technical assistance in the field of energy use and environmental remediation. DOE has been the caretaker and manager of the facilities that manufactured nuclear weapons, and the property on which the weapons are located. Many DOE properties lie dormant or idle, due in part to the downsizing of the military and to the closure of nuclear weapons facilities. Many contain low levels of contamination because they were used as buffer zones for the nuclear weapons facilities and a few parcels that were used in the production of nuclear weapons are highly contaminated.

Brownfields Connections

- Promotes redevelopment that incorporates energy efficiency, renewable energy and distributed energy technologies at brownfield sites.
- Develops regional relationships with federal and state partners to address site or brownfields issues.
- Provides technical assistance in the field of environmental cleanup and stabilization.

RESOURCES

TECHNICAL ASSISTANCE

Office of Energy Efficiency and Renewable Energy (EERE)/Center of Excellence for Sustainable Development

This office serves as a resource center on sustainable development and addresses several relevant issues, including land use planning, transportation, municipal energy, green building and sustainable businesses. Resources include: overview articles; slide shows; links to other sources of information; recommended books and videos; and educational materials and programs that can help communities in their sustainable development efforts.

<http://www.sustainable.doe.gov>

Office of Energy Efficiency and Renewable Energy (EERE)/Brightfields

EERE can help identify solutions to link solar energy technologies to brownfields redevelopment. As a “green” alternative, brightfields can not only encourage community acceptance of redevelopment plans, but also attract environmentally-conscious businesses and allow for cost savings.

Uses/Applications:

- Improve air quality
- Provide a clean and reliable energy source for entities such as community businesses, residential homes and local transit

<http://www.eere.energy.gov/wip/pdfs/brightfields.pdf>

Office of Building Technology, State and Community Programs (BTS)

BTS works with government, industry and communities to integrate energy technologies and practices. The resources available through BTS can help ensure that brownfields cleanup is connected to energy efficiency and sustainable redevelopment.

<http://www.eere.energy.gov/buildings/>

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Main Site

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Office of Energy Efficiency and Renewable Energy

<http://www.eere.energy.gov>

SNAPSHOT

Beatty, Nevada

The Federal Mine-Scarred Lands Initiative is a collaborative group of federal agencies that are developing models for mine-scarred lands cleanup and reuse by supporting six Demonstration Projects. Through the Bullfrog Mine, Beatty, Nevada Demonstration Project, the MSL Initiative is supporting research into the feasibility of renewable energy production opportunities on a reclaimed gold mine. Previous studies show that the Beatty area has solar energy potential that ranks among the highest in the United States and has potential for wind power generation. Additionally, Nevada offers a government and business climate that supports renewable energy. The Office of Energy Efficiency and Renewable Energy in the Department of Energy, has provided significant federal support for this project by engaging energy-related stakeholders, gathering research that has been conducted to date, and committing funding for future research on the feasibility of renewable energy reproduction.

PROGRAM DESCRIPTION

Mission

The U.S. Environmental Protection Agency (EPA) is the most active federal agency in promoting the cleanup and redevelopment of brownfields and other underused contaminated properties through the Office of Brownfields Cleanup and Redevelopment. EPA's Brownfields Program is designed to empower states, communities and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up and sustainably reuse brownfields.

Brownfields Connections

- Grants to assess site contamination
- Grants to carry out site cleanup
- Grants to projects and community organizations to address environmental problems affecting low-income and predominantly minority populations
- Training in the environmental field for residents of communities affected by brownfields
- Capital to establish revolving loan funds (RLFs)
- Grants for cooperative sustainable development efforts
- Environmental education programs
- Grants to capitalize RLFs for clean water projects

RESOURCES

FINANCIAL ASSISTANCE

Three EPA funding programs that have been used extensively to spur brownfield redevelopment are Assessment Grants, Cleanup Grants and Revolving Loan Fund Grants. The 2002 statutory authority requires that 25 percent of brownfields funding go to petroleum-impacted sites. Grant and loan funds can be used to purchase environmental insurance and monitor institutional controls. Grant funds cannot be used for administrative costs. A related program, the state clean water revolving loan fund, shows promise to help address brownfield situations; it has been used this way in several states.

Assessment Grants

Eligibility Requirements: Eligible entities include: state, local and tribal governments; land clearance authorities; or other quasi-governmental entities; regional council or redevelopment agencies; or state or government entities.

Limitations: Due to budget limitations, no entity may apply for more than \$700,000 in assessment funding.

Availability: Grants are \$200,000 for site assessments and \$200,000 for petroleum. Applicants may seek a waiver of the \$200,000 limit and request up to \$350,000 for a hazardous substances, pollutants or contaminants or petroleum. Such waivers must be based on the anticipated level of hazardous substances, pollutants or contaminants. The performance period is two years.

Uses/Applications:

- Inventory sites
- Characterize sites
- Assess sites
- Conduct planning and community involvement related to brownfields

Cleanup Grants

Eligibility Requirements: Eligible entities include: state, local and tribal governments; land clearance authorities; or other quasi-governmental entities; regional council or redevelopment agencies; or state or government entities. In order to receive a Cleanup grant, the applicant must own the site for which they are applying by the time the grant is awarded. A minimum of a Phase I site assessment must be completed prior to proposal submission.

Limitations: No entity may apply for more than \$1,000,000 for funding cleanup activities at more than five sites. Cleanup grants require a 20 percent cost share, which may be in the form of a contribution of money, labor, material or services, and must be for eligible and allowable costs. A Cleanup grant applicant may request a waiver of the 20 percent cost share requirement based on hardship.

Availability: An eligible entity may apply for up to \$200,000 per site. The performance period is two years.

Uses/Applications:

- Carry out cleanup activities at brownfields

Revolving Loan Fund (RLF) Grants

Eligibility Requirements: Eligible entities include: state, local and tribal governments; land clearance authorities; or other quasi-governmental entities; regional council or redevelopment agencies; or state or government entities.

Limitations: At least 60 percent of the awarded funds must be used to implement a revolving loan

fund, in order to provide no-interest or low-interest loans for brownfields cleanup. RLF grants require a 20 percent cost share, which may be in the form of money, labor, materials, or services, and must for eligible and allowable costs.

Availability: An eligible entity may apply for up to \$1,000,000. Coalitions of eligible entities may apply together under one recipient for up to \$1,000,000 per eligible entity. The performance period is five years.

Uses/Applications:

- Capitalize a revolving loan fund and provide subgrants to carry out cleanup activities at brownfields
- Address sites contaminated by petroleum and hazardous substances, pollutants or contaminants (including hazardous substances co-mingled with petroleum)

Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund, and Cleanup Grants

<http://www.epa.gov/swerosps/bf/applicat.htm#pg>

Clean Water State Revolving Loan Funds (CWSRFs)

These funds are barely on the radar screen as a brownfields financing tool, but they have considerable potential for use at sites where water quality is an issue. Capitalized by EPA, these funds can be used by states for loans of up to 20 years to finance activities that include brownfields mitigation to correct or prevent water quality problems, and which have a revenue stream to provide for loan repayment. There is no limit on the amount of funding that a project can access. Only a few states — notably New Mexico, New York and Ohio — have used this approach for brownfields. CWSRFs have funded over \$43,500,000,000, providing over 14,200 low-interest loans to date for water quality protection projects.

Eligibility Requirements: Eligible entities include: state, local and tribal governments; land clearance authorities; or other quasi-governmental entities; regional council or redevelopment agencies; or state or government entities.

Limitations: States set CWSRF project priorities within broad EPA guidelines.

Availability: Each state determines who may use its revolving funds.

Uses/Applications:

- Excavation and disposal of underground storage tanks

- Capping wells
- Excavation, removal and disposal of contaminated soil or sediments
- Well abandonment
- Phase I, II or III assessments

<http://www.epa.gov/owmitnet/cwfinance/cwsrf/index.htm>

State and Tribal Response Program

The Brownfields Law authorizes a noncompetitive \$50,000,000 grant program to establish and enhance state and tribal response programs. Its goals are to ensure that state and tribal response programs include certain elements as well as provide funding for other activities that increase the number of response actions conducted or overseen by a state or tribal response program. The funding is not intended to supplant current state or tribal funding for response programs. Instead, it is to supplement their funding and increase their response program's capacity.

Eligibility Requirements: To be eligible for funding a state or tribe must: 1) demonstrate that their response program includes, or is taking reasonable steps to establish a response program or be a party to a voluntary response program Memorandum of Agreement (MOA) with EPA; and 2) maintain and make available to the public, a record of sites at which response actions have been completed in the previous year and are planned to be addressed in the upcoming year.

Limitations:

- Limit of \$200,000 per site can be funded for assessments and no more than \$200,000 per site can be funded for cleanups.
- Subgrants cannot be provided to entities that may be potentially responsible parties.

Availability: For fiscal year 2005, EPA considered funding requests up to \$1,500,000 per state or tribe.

Uses/Applications:

- Develop legislation, regulations, procedures, guidance, etc. to establish or enhance a response program
- Capitalize an RLF for brownfields cleanup
- Purchase environmental insurance or develop risk management tools
- Establish and maintain institutional controls

- Conduct limited site-specific activities, such as assessment or cleanup, provided such activities are secondary to the primary use of the funds

http://www.epa.gov/swerosps/bf/state_tribal.htm

TECHNICAL ASSISTANCE

Job Training Grants

This effort links the goal of encouraging site cleanup with that of training for jobs in the environmental field, including innovative treatment technologies – so people affected by brownfields can be trained to help address them.

Eligibility Requirements: Eligible entities include: state, local and tribal governments; land clearance authorities; or other quasi-governmental entities; regional council or redevelopment agencies; state or government entities, colleges, universities, and community job training organizations.

Availability: An eligible entity may apply for up to \$200,000. The performance period is two years.

Uses/Applications:

- Prepare trainees for future employment in the environmental cleanup field
- Facilitate cleanup of brownfields contaminated with hazardous substances, pollutants or contaminants and petroleum

<http://www.epa.gov/swerosps/bf/applicat.htm#jt>

Targeted Brownfields Assessments (TBAs)

This program is designed to help states, tribes and municipalities supplement and work with other efforts under EPA's Brownfields Program. TBA assistance is available directly from EPA through EPA's 10 Regional offices.

Eligibility Requirements: TBA funding may only be used at properties eligible for EPA Brownfields Program funding.

Limitations: EPA generally will not fund TBAs at properties where the owner is responsible for the contamination unless there is a clear means of recouping EPA expenditures. Further, the TBA program does not provide resources to conduct cleanup or building demolition activities.

Availability: The TBA selection process varies with each EPA Region. Each Region is given an annual TBA budget.

Uses/Applications:

- A screening or "all appropriate inquiry" (Phase I) assessment, including a background and historical investigation and a preliminary site inspection
- A full (Phase II) environmental assessment, including sampling activities to identify the types and concentrations of contaminants and the areas of contamination to be cleaned
- Establishment of cleanup options and cost estimates based on future uses and redevelopment plans

<http://www.epa.gov/brownfields/tba.htm>

Environmental Enforcement Education Grant Program

This grant program sponsored by EPA's Office of Environmental Education supports environmental education (EE) projects that enhance the public's awareness, knowledge and skills to make informed decisions that affect environmental quality.

Eligibility Requirements: Eligible entities include: colleges and universities, local and tribal education agencies, state education or environmental agencies, nonprofit organizations and non-commercial education broadcasting entities.

Limitations: Grantees must provide non-federal matching funds of at least 25 percent of the total cost of the grant project. The match may be cash or in-kind contributions.

Availability: Approximately 200 grants are awarded annually. Grants for more than \$50,000 (typically ranging from \$85,000 to \$100,000) are awarded by EPA Headquarters and grants of \$50,000 or less are awarded by the regional offices.

Uses/Applications:

- Build state capacity to deliver environmental education programs
- Advance state education reform goals
- Improve environmental teaching skills
- Educate the public through community-based organizations
- Educate teachers, health professionals, community leaders and the public about human health threats from pollution, especially as it affects children
- Promote environmental careers

<http://www.epa.gov/enviroed/grants.html>

Environmental Justice Small Grant Program

The purpose of this program is to provide community-based/grassroots organizations with assistance in addressing local environmental problems with local solutions.

Eligibility Requirements: Eligible entities include community-based organizations.

Limitations: If a project is funded under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the project must be of a research nature only. Activities must be completed and funds spent within the one-year period specified in the grant award unless EPA approval is given.

Availability: Funding available for this program is \$750,000 with individual awards of \$25,000. Each Region receives \$75,000 to support local projects. From the \$75,000, one CERCLA research project (\$25,000) and two multi-media projects (\$25,000 each) will be awarded from each Region. The total project cost for each project must be exactly \$25,000.

http://www.epa.gov/compliance/environmentaljustice/grants/ej_smgrants.html

ADDITIONAL INFORMATION

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Main Site

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Office of Brownfields Cleanup and Redevelopment

<http://www.epa.gov/brownfields/>

SNAPSHOT Salt Lake City, Utah

On November 1, 2001, the first 60 of 84 retailers, restaurants and other attractions opened for business at Salt Lake City's new downtown mixed-use development, the Gateway. Where railroad lines once webbed across contaminated brownfields, this \$375,000,000 redevelopment project is revitalizing a 30-acre portion of the neglected west side of Utah's capital city and is the latest project to be completed under Salt Lake's Gateway Land Use and Development Master Plan. The city's multiyear project targets a 650-acre blighted industrial area known as the Gateway District. This success is the result of the city's receiving a \$200,000 EPA Brownfields Assessment Pilot grant in 1996 to conduct environmental assessments on the 650 acres. The project was further aided by a \$200,000 EPA Brownfields Supplemental Assistance grant (no longer available) in March 2000 and another \$500,000 resulting from the city's designation as an EPA Brownfields Showcase Community. The first 30 acres have been redeveloped to create two million square feet of shops, restaurants, office space, housing and a 12 screen movie theater.

PROGRAM DESCRIPTION

Mission

The Federal Housing Finance Board (FHFB) is divided into 12 Federal Home Loan Banks (FHLBanks), which are government-chartered, member-owned corporations. These FHLBanks provide long-term loans to its member financial institutions, which then advance these loans to individuals or entities in the community for residential mortgages or economic development activities, including brownfields redevelopment projects.

Brownfields Connections

- FHLBanks provide financing to member institutions to support a wide range of affordable housing projects; rental and owner-occupied as well as single-family and multi-family units — targeted to member banks.
- FHLBanks encourage member institutions to engage in lending to meet community development needs, such as housing and economic development, which can take place on brownfields sites — targeted to banks
- FHLBanks use a variety of financing tools for redevelopment such as the purchase of taxable and tax-exempt bonds — targeted to banks

RESOURCES

FINANCIAL ASSISTANCE

Community Investment Program (CIP)

This loan program provides funding for housing and economic development activities in distressed neighborhoods. The CIP supports community-oriented mortgage lending that can be used to target commercial and economic development projects in low- and moderate-income neighborhoods that include brownfield sites. Since 1990, the Federal Home Loan Banks have advanced more than \$5 billion for such commercial and economic development projects.

Uses/Applications:

- Brownfields cleanup and redevelopment projects
- Finance housing, commercial and economic development activities
- Provide funding for community-oriented facilities like day-care centers and educational facilities

http://www.fhfb.gov/FHLB/FHLBP_housing_CI.htm

Community Investment Cash Advance (CICA) Program

The CICA programs of the 12 FHLBanks offer funding for projects targeted to certain economic development activities, including brownfields redevelopment. CICA programs used for economic development: Rural Development Advance (RDA) Program; Urban Development Advance (UDA) Program; and the Community Investment Program (CIP).

Eligibility Requirements: For a list of projects that qualify, see the CICA Web site.

Limitations: CICA program criteria and eligibility requirements vary among FHLBanks, but all CICA projects must meet FHFB CICA regulations.

Availability: Each FHLBank has a Community Lending Plan, in which it describes its program objectives and funding availability.

Uses/Applications: Economic development projects include: commercial, industrial, manufacturing, social service, infrastructure projects and public facilities.

http://www.fhfb.gov/FHLB/FHLBP_economic_reg.htm

Federal Home Loan Bank Standby Letters of Credit (LOC)

The LOC regulation provides the FHLBanks with additional flexibility to use letters of credit for housing or economic development projects including those for brownfields redevelopment.

Uses/Applications:

- Facilitate residential housing finance
- Facilitate community lending
- Assist with asset/liability management
- Assist with liquidity and other funding

http://www.fhfb.gov/FHLB/FHLBP_LOC.htm

Affordable Housing Program (AHP)

The AHP subsidizes the interest rates for advances (loans) and provides direct subsidies (grants) to member institutions of the FHLBanks for long-term, very-low, low and moderate-income, owner-occupied and affordable rental housing.

http://www.fhfb.gov/FHLB/FHLBP_housing_AHP.htm

ADDITIONAL INFORMATION

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Main Site

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Federal Home Loan Bank Community Lending Plans

[http://www.fhfb.gov/FHLB/
FHLBP_economic_CLP.htm](http://www.fhfb.gov/FHLB/FHLBP_economic_CLP.htm)

Federal Home Loan Bank Community Investment Officers

http://www.fhfb.gov/FHLB/FHLBP_officers.htm

SNAPSHOT Palm Beach, Broward, and Miami-Dade Counties, Florida

A 115-mile corridor in the Florida counties of Palm Beach, Broward and Miami-Dade contains more than 2,100 known contaminated sites. The Eastward Ho! Brownfields Partnership seeks to alleviate growth pressure on the Everglades by encouraging sustainable brownfields reuse. The corridor — developed along two railroad tracks — is the location of numerous brownfields which vary widely in size, degree and type of contamination. The Federal Housing Finance Board (FHFB) was one of 16 federal agencies that partnered with this pilot program. The FHFB provides information and technical assistance on accessing the Federal Home Loan banking system. This gives credibility to the Eastward Ho! Partnership and increases access to loans from local banks. FHFB also provides information and technical assistance on how to access the Federal Home Loan banking system.

PROGRAM DESCRIPTION

Mission

With thousands of federal properties located throughout the country, the General Services Administration (GSA) is partnering with communities to target underused federal properties. GSA works to expedite federal property reuse, promoting tools such as Early Transfer Authority and fixed price remediation contracts.

GSA reviews and identifies underused federally-owned brownfields that are potentially available for redevelopment. Brownfields transactions are primarily real estate deals, and in the case of available federal properties, GSA can serve as the “honest broker” in these transactions, bringing the right resources and people to the table to get the deal done. To carry out this role, GSA is:

- Developing a toolkit to help foster the partnerships
- Educating potential federal property developers on the federal real property disposal process
- Coordinating a campaign to educate states and communities engaged in brownfields revitalization about innovative disposal methods, such as Early Transfer Authority and the privatization of remediation.

Brownfields Connections

- Works with local communities to determine how underused or surplus federal properties can support — targeted to local communities.

RESOURCES

TECHNICAL ASSISTANCE

Community Involvement

GSA’s Brownfields Redevelopment Initiative identifies and redeploys underutilized federal properties. Within each of its brownfields project locations, GSA works with state and local planners, economic development officials and community groups to effectively match underused federal property holdings with local revitalization objectives. GSA, guided by local objectives, focuses and prioritizes the disposal of underutilized real property.

Eligibility Requirements: To address potential federal brownfields, GSA has targeted 39 diverse project locations. Project locations were chosen based upon existing partnerships among federal, state and local organizations already working to better the economic and social well-being of these communities. For a list of all project locations, please check the Brownfields Redevelopment Initiative Web site.

Availability: Assistance is provided to local officials, community stakeholders, and state and federal agencies.

Uses/Applications:

- Ensure that underutilized federal properties are a productive component in local revitalization and livability efforts

<http://bri.gsa.gov/brownfields/home/>

Building Partnerships

GSA formed a National Brownfields Team comprised of key individuals from its regional Property Disposal office to coordinate with state and federal representatives to ensure that the identification of underutilized federal properties incorporates the latest state and federal revitalization initiatives. GSA integrated this information using a geographic information system (GIS).

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Office of Property Disposal

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SNAPSHOT **Los Angeles, California**

The City of Los Angeles, California, is targeting brownfields located along the Alameda Corridor, a 20-mile route between the Los Angeles/Long Beach ports and rail distribution yards, for assessment, cleanup and redevelopment. The combined ports of Los Angeles and Long Beach comprise the largest U.S. port complex and link the American and Pacific Rim markets. A study conducted by the city's Community Redevelopment Agency (CRA) in South Central Los Angeles found 344 potentially contaminated sites within a three-mile radius. Because these sites are located on industrially zoned property near major transportation routes, their economic potential is exceptional. The city successfully partnered with the General Services Administration (GSA) to develop a GIS to identify potential surplus federal property within in the Corridor for revitalization.

PROGRAM DESCRIPTION

Mission

The Agency for Toxic Substances and Disease Registry (ATSDR) seeks to prevent human exposure to hazardous substances in the environment. Its public health functions include: assessments of sites; the analysis and reporting of collected assessments data; education and training concerning hazardous substances; epidemiological surveillance studies; and the mitigation of releases of hazardous substances into the environment. ATSDR focuses its brownfields activities on:

- *Partnering* — Establishing and maintaining relationships with other federal, state, local and community stakeholders interested in brownfields redevelopment.
- *Providing Support* — Working with partners to provide technical assistance and advice on brownfields activities.
- *Promoting Public Health* — Providing national leadership to state and local health agencies working on brownfields.

Brownfields Connections

- Provides training on environmental health impacts on minority communities — targeted to academic institutions and various brownfield community stakeholders.
- Offers assessment of environmental sampling data — targeted to all brownfield community stakeholders.

RESOURCES

The extent of ATSDR's involvement at an individual site will depend on the health issues and the ability of ATSDR's state and local health department partners to adequately address those issues and ATSDR's resource capabilities.

TECHNICAL ASSISTANCE

Review and Assess Environmental Sampling Data

ATSDR can review and assess environmental sampling data and other site-related information.

Health-Related Information Sharing

ATSDR can provide health-related information on specific hazardous substances; coordinate a response to a real or perceived elevated incidence of disease near a site; and help individual workers or community members find experienced, private medical attention for significant hazardous substance exposure.

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SNAPSHOT **Seattle/King County, Washington**

The City of Seattle/King County, Washington, is focusing its brownfields cleanup program on creating greenspace. In particular, the program is concentrating on the cleanup and redevelopment in the three King County manufacturing and industrial centers, including the Duwamish industrial corridor. The corridor encompasses more than 8,500 acres and contains more than 200 contaminated properties. With the assistance of the Agency for Toxic Substances and Disease Control (ATSDR), the Boulevard Park Community Council performed environmental assessments at a former dry cleaning/gas station site. The goal is to convert the site to a neighborhood park. ATSDR provided additional assistance by disseminating information and responding to community concerns regarding issues related to the cleanup and redevelopment of brownfields.

PROGRAM DESCRIPTION

Mission

Among other things, the National Institute of Environmental Health Sciences (NIEHS) studies and addresses the environmental causes of human health concerns, and tries to link its basic research, community outreach, and worker-training programs to EPA's Brownfields Program.

NIEHS contributes biomedical, public health, environmental research and training programs for those engaged in environmental efforts such as cleanup and remediation. NIEHS also provides outreach and education to the public and other organizations regarding these issues. NIEHS commits to continuing to administer and fund the Brownfields Minority Worker Training Program in collaboration with EPA's Office of Brownfields Cleanup and Redevelopment to increase workforce development opportunities for residents surrounding brownfields communities and linking other program grantees with brownfields communities to address other worker-training needs and issues.

Brownfields Connections

- Conducts pilot programs to recruit minority workers to the environmental field under the Minority Worker Training Program (MWTP) and the Brownfields Minority Worker Training Programs (BMWTP) — currently targeted to five academic institutions and training consortia.
- Provides grants to organizations to develop model occupational safety and health training for workers who perform dangerous jobs in hazardous waste management and remediation — targeted to non profit organizations with an established track record of conducting health and safety training.
- Provides grants to for-profit companies under the Advanced Training Technology (ATT) program — ATT products targeted to companies employing HAZMAT workers, emergency responders, and small business participants in the Small Businesses Innovative Research (SBIR) and Small Business Technology Transfer Research (STTR) programs.
- Conducts research and outreach on environmental hazards and cleanup technologies targeting Superfund sites and other sites such as brownfields.

RESOURCES

TECHNICAL ASSISTANCE

NIEHS Worker Education and Training Program (WETP)

These training grants provide model occupational safety and health training for workers and their supervisors who perform dangerous jobs in hazardous waste management and remediation programs.

<http://www.niehs.nih.gov/wetp/>

Hazardous Waste Worker Training Program (HWWTP)

The NIEHS WETP has established an effective national framework to develop and provide comprehensive training that is needed to address Superfund cleanups, chemical emergency responses, RCRA corrective actions and environmental restoration.

Eligibility Requirements: Only nonprofit organizations providing worker health and safety education and training may submit an application. This includes universities, faith-based or community-based organizations and historically black colleges and universities (HBCUs).

Limitations: A request for applications (RFA) is released every five years. The next RFA will be released in 2009.

Availability: In fiscal year 2005, approximately \$26,500,000 was allocated to continue support efforts to train hazardous waste workers and emergency responders.

Uses/Applications:

- Improve worker safety and health training

<http://www.niehs.nih.gov/wetp/program/hazwaste.htm>

Minority Worker Training Program (MWTP)

This program focuses on delivering training to disadvantaged young adults in order to prepare them for employment in the areas of environmental cleanup and construction. The MWTP works with academic institutions, with a particular focus on HBCU, as well as public schools and community-based organizations located in or nearby impacted areas.

<http://www.niehs.nih.gov/wetp/program/minority.htm>

Brownfields Minority Worker Training Program (BMWTP)

This program broadens the MWTP to provide comprehensive training to disadvantaged residents and to foster economic and environmental restoration to communities impacted by brownfields.

Eligibility Requirements: Eligible entities include: nonprofit organizations providing worker health and safety education and training including universities, faith-based or community-based organizations and HBCUs.

Limitations: NIEHS support is limited to one of these training programs in the same community. An RFA is released every five years for a five year funding period. The next RFA will be released in 2009.

Availability: Approximately \$3,500,000 was appropriated in 2005 for the MWTP.

Uses/Applications:

- Increase the number of minority adults in the environmental field
- Provide pre-employment job training including literacy, life skills, environmental preparation and other related courses construction skills training
- Provide environmental worker training including hazardous waste, asbestos and lead abatement training
- Provide safety and health training

<http://www.niehs.nih.gov/wetp/program/brownfields.htm>

Advanced Technology Training Program (ATT)

ATT focuses on the development of E-Learning products for health and safety training needed by HAZMAT workers and emergency responders. It directs its resources towards small business participants in the SBIR and STTR programs.

Eligibility Requirements: Eligible entities are U.S. small business institutions.

Availability: Approximately \$786,000 is awarded annually.

Uses/Applications:

- Provide ATT products for health and safety training such as distance learning, virtual reality training simulations and interactive television

<http://www.niehs.nih.gov/wetp/program/att.htm>

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SNAPSHOT Boston, Massachusetts

Jobs for Youth-Boston — now known as JFY Networks — was awarded an EPA Brownfields Job Training Pilot grant in 1998 and was awarded a subsequent Job Training grant in 2003. JFY Networks recruits trainees from low-income communities in and around Boston, Massachusetts. In addition to the job training grant, the National Institute of Environmental Health Services provided \$90,000 to expand the environmental technician program and cover some the operating expenses. Once completing the program, trained local residents — many of whom are impacted by brownfields — obtain entry-level environmental positions. These positions are available to assist with local brownfields assessment and cleanup projects. To date, 97 participants have entered the program with 61 of those obtaining employment.

PROGRAM DESCRIPTION

Mission

The Office of Community Services (OCS) works in partnerships with states, communities and other agencies to address the economic and social needs of the urban and rural poor at the local level by providing grant monies and technical assistance to these organizations. The goal is to increase the capacity of individuals and families to become self-sufficient and to revitalize communities.

Brownfields Connection

- Provides grants to community development corporations and community action agencies for brownfields redevelopment and job creation projects.

RESOURCES

FINANCIAL ASSISTANCE

Job Opportunities for Low-Income Individuals (JOLI)

JOLI is a job creation program that awards funds to nonprofit organizations that create new full-time employment. Program funds are awarded under four project strategies: 1) expansion of existing businesses through technical and financial assistance; 2) self-employment/micro-enterprise; 3) new business ventures; and 4) non-traditional employment.

Eligibility Requirements: Eligible entities include: nonprofit organizations (including community development corporations, faith-based, charitable organizations and tribal organizations).

Limitations: Projects must create new permanent full-time employment opportunities.

Availability: Approximately \$5,500,000 is appropriated annually and each year approximately 10 grants are awarded per fiscal year. Grant awards are approved for up to a three-year project period and the maximum grant award of \$500,000 is for the full project period. There is no funds match requirement, however OCS encourages applicants to mobilize additional funds.

Uses/Applications:

- Create new employment opportunities for low income individuals

Community Economic Development (CED) Program

This program provides funds to create employment and business development opportunities for low-income resi-

dents. Eligible applicants include: private, nonprofit organizations that are community development corporations (CDC) including faith-based, charitable and Tribal and Alaskan Natives organizations.

Uses/Applications:

- Start-up or expansion of businesses, physical and commercial development
- Capital expenditures such as the purchase of equipment or real property
- Operating expenses
- Equity investments

Community Services Block Grant (CSBG) Program

This program provides funds for the amelioration of the causes and conditions of poverty in communities to: states and U.S. territories; federal and state-recognized Indian tribes and tribal organizations; community action agencies; and several hundred other locally-based organizations. Funds provide a range of services and activities to assist the needs of low-income individuals including the homeless, migrants and the elderly. Grants are determined by a statutory formula based on population.

TECHNICAL ASSISTANCE

Rural Community Facilities

This program supports low-income rural communities in the development of affordable, safe water and waste water treatment facilities. Activities may include training and technical assistance in developing and managing water facilities in rural areas; improving the coordination of federal, state and local agencies in water and waste water management; assisting communities in obtaining financing for their facilities, and distributing information. Nonprofit organizations (including community development corporations, faith-based, charitable organizations, and tribal organizations) are eligible.

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PROGRAM DESCRIPTION

Mission

The overall mission of the U.S. Department of Housing and Urban Development (HUD) is to increase homeownership, support community development and increase access to affordable housing free from discrimination. HUD has seven brownfield-applicable programs:

- Community Development Block Grant (CDBG) Program (CDBG grants for Entitlement Communities, States, Insular Areas and non-entitlement grants in Hawaii)
- Section 108 Loan Guarantee Program
- Office of Community Renewal (and the related Economic Development Initiative)
- Brownfields Economic Development Initiative (BEDI)
- HOME Investment Partnership Program
- Empowerment Zones (EZ) and Enterprise Communities (EC) Initiative
- Lead-Based Paint Hazard Control Grant Program

Brownfields Connections

- Provides block grants and competitive awards for revitalizing communities — targeted to state and local governments.
- Offers federally-guaranteed loans for large economic development and revitalization projects in communities — targeted to state and local governments.
- Provides priority status for certain federal programs and grants for HUD-designated EZ or EC — targeted to 80 local governments with low-income or distressed areas.
- Provides options for meeting safe and affordable housing needs in developed areas — targeted to low and moderate income households.

RESOURCES

FINANCIAL ASSISTANCE

Community Development Block Grant Program (CDBG)

The program increasingly has driven economic development activities, including brownfields redevelopment, that have the potential to stimulate job and business opportunities in low-income and blighted communities. CDBG addresses smaller neighborhood-based projects as well as larger projects, where initial resource injections are needed to help with site cleanup and related preparation. HUD funding can be used for cleanup of all

types of contaminants as well as necessary redevelopment activities like demolition.

Eligibility Requirements: The CDBG funded activity must meet one of the program's three objectives: 1) principally benefit low- and moderate-income persons; 2) prevent or eliminate slums or blight; or 3) meet other urgent community development needs.

Availability: Congress appropriated about \$4,700,000,000 for the CDBG program for fiscal year 2005, including set-asides. HUD distributes 70 percent of the CDBG formula appropriations to more than 1,100 entitlement communities, and the remaining 30 percent of the formula funds go to the states for distribution to non-entitlement small cities and counties. Entitlement communities administer their own programs and have broad discretion in the selection of activities that they carry out each year. States have broad discretion in the method of distribution of funds to non-entitlement units of general local government. In Hawaii and U.S. territories, HUD makes grants directly to non-entitlement communities.

Uses/Applications:

- Prepare plans for redevelopment or revitalization of brownfields
- Acquire sites
- Conduct environmental site assessment
- Clear sites, demolish and remove buildings
- Rehabilitate buildings
- Clean up contamination

[http://www.hud.gov/offices/cpd/
communitydevelopment/programs/index.cfm](http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm)

Community Development Block Grant Entitlement Communities Grants

The program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Eligibility Requirements: Eligible entities include: cities with populations of at least 50,000 and qualified urban counties with populations of 200,000.

Limitations: Acquisition, construction or reconstruction of buildings for government use are not eligible.

Availability: \$2,876,000,000 in entitlements and \$1,232,000 in non-entitlements were awarded in fiscal year 2005.

Uses/Applications:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities including infrastructure and community buildings
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm>

State Community Development Block Grant

States administer CDBG funds for non-entitlement small community areas.

Eligibility Requirements: States participating in the CDBG Program award grants only to units of general local government that carry out development activities

Uses/Applications:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities including infrastructure and community buildings
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm>

Section 108 Loan Guarantee Program

Section 108 provides federally guaranteed loans for large economic development and revitalization projects, housing and public infrastructure projects. Small cities must work through their states. CDBG recipients must provide security of the Section 108 guaranteed loan (often the assets of the assisted project) and are required to pledge a portion of their current and future CDBG grants to repay the debt in the event the project does not generate sufficient funds to repay the debt.

Eligibility Requirements: Eligible entities include CDBG entitlement recipients and states on behalf of non-entitlement jurisdictions.

Limitations: CDBG entitlement recipients and states may borrow an amount equal to five times the recipients' latest CDBG entitlement grant.

Availability: HUD has \$481,000,000 in new and carryover guarantee authority available for fiscal year 2005.

Uses/Applications:

- Economic development activities and housing rehabilitation eligible under CDBG
- Acquisition of real property (including brownfields)
- Rehabilitation of publicly owned real property (including brownfields)
- Construction, reconstruction or installation of public facilities (including street, sidewalk and other site improvements)
- Related relocation, clearance and site improvements
- Payment of interest on the guaranteed loan and issuance costs of public offerings
- Debt service reserves
- Public works and site improvements in colonias
- Housing construction

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/108/index.cfm>

Office of Community Renewal (RC/EZ/EC)

The Renewal Community/Enterprise Zone/Enterprise Community (RC/EZ/EC) Initiatives offer tax incentives and flexible funding. These efforts bring communities together through a strategic planning process to attract the investment necessary for sustainable economic and sustainable community development.

EZ/EC have had access to over \$5,000,000,000 in tax incentives. These tax incentives include wage tax credits for employers, tax relief for business equipment purchases, tax-exempt bond financing for business property, and tax incentives for brownfields cleanup and redevelopment.

Limitations: Assistance is limited to already established Renewal Communities, Enterprise Zones, and Enterprise Communities. No new designations will be made.

<http://www.hud.gov/offices/cpd/economicdevelopment/programs/rc/index.cfm>

Brownfields Economic Development Initiative (BEDI)

BEDI grants target economic development on brownfields and are intended to simulate private and public investments within local communities.

Limitations: BEDI grants must be used in tandem with new Section 108 loan guarantee commitments.

<http://www.hud.gov/offices/cpd/economicdevelopment/programs/edi/index.cfm>

HOME Investment Partnerships Program

HOME is the largest federal block grant to create affordable housing. HUD directly distributes HOME funds to 632 state and local jurisdiction and four insular areas.

Eligibility Requirements: Annual grants are provided to participating jurisdictions, which include states, eligible cities and urban counties

Limitations: Participating jurisdictions are required to contribute or match 25 cents for each dollar of HOME funds spent on affordable housing.

Availability: HUD directly distributes HOME funds to 632 state and local jurisdiction and four insular areas.

Uses/Applications:

- Acquire property
- Construct new housing for rent or ownership
- Rehabilitate rental or owner-occupied units
- Provide home purchase or rehabilitation financing assistance
- Assist low-income renters through tenant-based rental assistance or payment of security deposits

www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm

Lead-Based Paint Hazard Control Grant Program

HUD's lead-based paint program was established to reduce young children's exposure to lead paint hazards in their homes. Since 1993, HUD has awarded nearly \$700,000,000 to more than 200 local and state jurisdictions. HUD provides states and local governments with grants, ranging from \$1,000,000 to \$2,500,000.

Eligibility Requirements: Homes selected for assistance under the grant program must have been constructed before 1978 and have lead-based paint hazards, which may include lead contaminated dust or soil. The housing must also be privately owned and occupied by or rented to low-income families.

Availability: HUD provides states and local governments with grants, ranging from \$1,000,000 to \$2,500,000.

Uses/Applications:

- Lead-based paint inspections and risk assessments
- Community awareness or education programs on lead hazard control and lead poisoning prevention
- Blood testing of children prior to lead hazard control work
- Lead hazard control work (this includes cleaning, interim controls, and hazard abatement)
- Temporary relocation of families during hazard control activities
- Training for workers and supervisors
- Training on lead safe maintenance practices for residents and others working in low-income housing

<http://www.hud.gov/offices/lead/lhc/index.cfm>

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SNAPSHOT **Yuma, Arizona**

The historic Carver Park Neighborhood is a 22-block area located in the older part of Yuma, Arizona. The neighborhood has a high rate of unemployment with nearly half of its residents living in poverty. Much of the housing was substandard and for many years Carver Park was severely blighted with few prospects for revitalization. In March 2000, Carver Park was declared a CDBG Neighborhood Revitalization Strategy Area. Significant housing improvements and additions have been made including: new town homes, rental housing, single-family homes; rehabilitated single-family units; and reconstructed homes. HUD also approved a Section 108 loan guarantee for homeownership activities. As part of the revitalization efforts, the Carver Park neighborhood opened the Dr. Martin L. King Neighborhood Community Center, a safe place for youth to gather. The improvements made in this neighborhood demonstrate grass roots community involvement and impressive leveraging of public and private funds and programs to maximize HUD CDBG funding. To date a total of \$27.5 million has been leveraged for neighborhood revitalization from a total HUD investment of \$4.1 million.

PROGRAM DESCRIPTION

Mission

The U.S. Department of Justice (DOJ) does not have a specific brownfields reuse program, but it supports initiatives through the Community Capacity Development Office (CCDO) that encourages redevelopment directly, through its Brownfield Special Emphasis Initiative, and indirectly, through the Weed and Seed Program. The CCDO aims to work with local communities to design strategies for deterring crime, promoting economic growth and enhancing quality of life.

Brownfields Connections

- Brownfields Special Emphasis Initiative gives communities that are unsuccessful in seeking EPA funding, a “second chance” to carry out initiatives aimed at site preparation and development, and community outreach and participation — targeted to Weed and Seed program grantees.
- Advise and assist with the use of EPA Brownfields Program funds to clean up methamphetamine labs — targeted to all EPA grantees addressing meth labs.
- Assist in crime prevention and improving the community climate through neighborhood restoration and crime prevention — targeted to local governments for community use.

RESOURCES

FINANCIAL ASSISTANCE

Brownfields Special Emphasis Initiative (*found within Methamphetamine Lab/Environmental Activities*)

In order to support community health and economic development, the CCDO provides funding through its Brownfields Special Emphasis Initiative. Applicants are encouraged to seek funding for brownfields activities from existing brownfields programs prior to seeking funding from the Weed and Seed program.

Eligibility Requirements: Only Officially Recognized Weed and Seed sites in good standing are eligible to apply for funding. Official Recognition (OR) designation is the first step in the federal Weed and Seed process. A community that is interested in becoming a Weed and Seed site must first notify the appropriate U.S. Attorney’s Office and then obtain a *Weed and Seed Implementation Manual* and the current Offi-

cial Recognition Guidelines and Application. These documents can be downloaded from the Office of Justice Programs (OJP) Web site at: www.ojp.usdoj.gov/ccdo/publications.htm.

Availability: Only one Weed and Seed grant award per site per federal fiscal year is allowed. Unless otherwise noted Continuation sites may apply for a total of \$225,000: \$175,000 in core funding plus \$50,000 for Special Emphasis Initiatives.

Uses/Applications:

- Build partnerships and outreach among stakeholders
- Cleanup, reuse planning, assessment and evaluation
- Renovate existing facilities
- Foster local job development and training initiatives

<http://www.ojp.usdoj.gov/ccdo/funding.htm>

TECHNICAL ASSISTANCE

Weed and Seed Program

Weed and Seed’s law enforcement and community policing elements make up the “weed” portion, while the prevention, intervention, treatment and neighborhood restoration elements comprise the “seeds”. It is the program’s seed portion that may indirectly affect redevelopment by promoting revitalization activities in distressed areas where brownfields are located.

Uses/Applications:

- Weed and Seed sites can budget up to a maximum of \$7,500 in grant funds for travel to CCDO-sponsored conferences and training. Sites should seek prior approval from their program manager prior to any other use of these funds.
- Weed and Seed sites can submit a written site-driven Technical Assistance request asking attendance at appropriate off-site training courses. The request is reviewed by the applicable CCDO director for final review and approval.

<http://www.ojp.usdoj.gov/ccdo/welcome.html>

ADDITIONAL INFORMATION

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SNAPSHOT **East Palo Alto, California**

The City of East Palo Alto, California is the location for the 130-acre Ravenswood Industrial Area. The Ravenswood area overlooks wetlands and the San Francisco Bay, and is located at the gateway to technology-based Silicon Valley, making it an attractive location for local industries. East Palo Alto continues to assess potentially contaminated properties in the Ravenswood area. EPA and the U.S. Department of Housing and Urban Development (HUD) teamed up to assist the city by providing a federal staff liaison to work on brownfields and economic development issues, coordinate federal and state programs to meet the needs of East Palo Alto and identify assistance programs for which the city qualifies. The U.S. Department of Justice contributed conference travel funds to assist program administrators in East Palo Alto to attend professional development conferences. The program also established a Ravenswood Industrial Area Stakeholders Group to determine future land uses with assistance from EPA and HUD.

PROGRAM DESCRIPTION

Mission

While the U.S. Department of Labor (DOL) does not have a brownfields initiative, its mission complements local redevelopment efforts, which needs workers who are trained and skilled to handle environmental cleanup and sustainable redevelopment of brownfields.

Brownfields Connections

- Offers technical assistance linked to job training and workforce development in brownfields communities — targeted to state and local governments.

RESOURCES

TECHNICAL ASSISTANCE

Job Training and Technical Assistance

DOL provides job training expertise and helps coordinate Workforce Investment Act (WIA) programs in brownfield communities. In August, 2003, DOL issued a training and employment notice to all state workforce agencies and liaisons on potential collaboration with EPA on brownfields economic development. DOL encourages local workforce professionals to be involved in the planning of job readiness needs for the next use of brownfields.

Eligibility Requirements: Technical assistance is available to communities with brownfields. State or local governments interested in this support should contact the department's Employment and Training Administration's (ETA) relevant regional administrator; contact information can be found on the regional offices Web site.

Availability: Interested parties should contact their local Workforce Investment Board for information.

ADDITIONAL INFORMATION

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Main Site

<http://www.doleta.gov>

Regional Offices

<http://www.doleta.gov/regions/regoffices/>

SNAPSHOT ***New Bedford, Massachusetts***

New Bedford, Massachusetts, has a long history of industrial whaling, cotton textile manufacturing and fishing, which has left little space for new industrial development. The decline of the city's main industries and the recent departure of several large employers have created abandoned properties that are either contaminated or thought to be contaminated and left many without jobs. New Bedford's efforts to assess and clean up brownfields and reduce a high unemployment rate indicated a need for environmental job training. The city was able to leverage \$71,000 in funding from the Department of Labor to support the program's staff and office space. The job training program consisted of 25 weeks of comprehensive environmental response training, including training in the use of innovative technologies for site assessment and cleanup activities. Since its inception, the program has graduated 60 local residents.

PROGRAM DESCRIPTION

Mission

The National Oceanic and Atmospheric Administration (NOAA) within the Department of Commerce (DoC) works to balance environmental and economic needs and benefits at waterfront locations. With its coastal focus and experience in solving critical environmental challenges, NOAA balances environmental and economic needs by: rebuilding community waterfronts and redeveloping brownfields through its strong partnerships with coastal states' coastal zone management programs; revitalizing port areas through the use of advanced marine transportation tools and services; and helping to improve the quality of life, environment and regional economy by working with local communities and other agencies on coastal brownfields.

NOAA does not offer resources through a consolidated brownfields program, nor are brownfields managed by one particular office. Rather, existing agency programs provide resources and technical assistance to coastal communities for brownfields cleanup and reuse.

Brownfields Connections

- Provides technical and financial assistance for coastal resource protection and management — targeted to coastal (including Great Lakes) state, territorial, and local governments
- Provides assistance on site assessment and remediation where coastal resources are impacted
- Coordinates the “Portfields” Initiative — targeted to pilots in New Bedford, Massachusetts, Tampa, Florida, and Bellingham, Washington

RESOURCES

TECHNICAL ASSISTANCE

Office of Response and Restoration (OR&R)

This office protects and restores contaminated coastal resources and habitats (including brownfields) by assessing and evaluating risks and then implementing cost-effective environmental cleanup and restoration solutions.

Uses/Applications:

- Provide training, guidance and decision-making tools for specific watersheds to assist coastal communities with the assessment, cleanup and restoration of contaminated sites (including brownfields)

<http://response.restoration.noaa.gov/index.html>

Office of Ocean & Coastal Resource Management (OCRM)

OCRM implements NOAA's Coastal Zone Management program partnerships with coastal states, which helps revitalize community waterfronts and direct resources useful to helping redevelop brownfields.

Eligibility Requirements: Financial and technical assistance are provided to states.

Limitations: Funding is typically not sufficient for site redevelopment but serves as seed money for projects such as feasibility studies, site assessments and master plan development.

NOAA Coastal Brownfields

<http://www.brownfields.noaa.gov/>

Office of Ocean & Coastal Resource Management

<http://coastalmanagement.noaa.gov/>

NOAA's Coastal Services Center (CSC)

CSC helps develop the expertise of coastal resource professionals by giving them the tools to engage communities in land and water issues, including the redevelopment of brownfields. Through CSC-led workshops, planners and managers build valuable skills to help local governments collaborate with the public and manage conflict.

Eligibility Requirements: Assistance is provided to state and local coastal resource managers and federal, non-governmental and nonprofit organizations

Uses/Applications:

- Smart Growth initiatives
- Brownfields information outreach

<http://www.csc.noaa.gov>

Portfields

The interagency “Portfields” initiative focuses on the redevelopment and reuse of idled or abandoned lands in and around ports, harbors and marine transportation hubs. NOAA is leading the interagency Portfields effort, which includes providing focused assistance to three Portfields pilots in New Bedford, Massachusetts; Tampa, Florida; and Bellingham, Washington.

Eligibility Requirements: Three pilot ports have been selected and activities are underway.

Limitations: There are no plans for additional pilot ports.

Availability: Funding and technical assistance under Portfields will not be available to other ports. Instead, the Portfields partners will actively transfer best practices and lessons learned to other port communities.

Uses/Applications:

- Assist in leveraging resources to revitalize waterfront areas
- Improve marine transportation
- Protect and restore critical habitat

Portfields

<http://www.brownfields.noaa.gov/htmls/portfields/portfields.html>

SNAPSHOT **Glen Cove, New York**

Glen Cove is a small city located on the north shore of Long Island. Parks, public beaches, nature preserves and private homes span eight miles of the city’s shoreline. The historically industrialized Glen Cove Creek waterfront was contaminated. In addition the waterway had not been dredged in 30 years and suffered from crumbling bulkheads, and non-point source pollution. NOAA’s Office of Coastal Resource Management (OCRM) assisted in implementing the Plan by supporting “Commitment to Action” meetings that brought together federal, state and local partners. The workshops provided a roadmap for redevelopment; identified technical expertise and funders. NOAA’s Office of Response and Restoration (ORR) worked with the city to identify cleanup actions and habitat restoration.

ADDITIONAL INFORMATION

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Main Site

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PROGRAM DESCRIPTION

Mission

The Department of Interior, through its Rivers, Trails, and Conservation Assistance Program (Rivers & Trails) promotes sustainable community-based environmental conservation and brownfields redevelopment. The National Park Service (NPS) does not provide financial assistance, but does provide technical assistance for efforts such as conservation and community revitalization.

Brownfields Connections

- Provides technical assistance for planning, assessment and conservation in urban areas — targeted to state and local governments and community-based organizations.
- Assists in acquisition of surplus federal lands — targeted to state and local governments.
- Offers technical assistance for community revitalization.

RESOURCES

TECHNICAL ASSISTANCE

Federal Lands to Parks Program

Through the Federal Lands to Parks Program, NPS helps states and local governments acquire, at no cost, surplus federal lands (including surplus lands from decommissioned military bases). NPS assists communities in gaining title to lands and facilities for public parks and recreation purposes.

Eligibility Requirements: State or local government agencies may apply. Successful applications support: a need for parks or recreation; the capacity to maintain the property; and suitability for park and recreational use.

Limitations: Land or buildings obtained through this program must be open to the public and used exclusively for parks and recreational purposes.

Availability: Federal Lands to Parks staff review notices of available property for park and recreation opportunities, and notify relevant state, regional and/or local park agencies. Notices are often posted on military or General Services Administration Web sites. A state or local government agency interested in property for parks or recreational areas should notify the Federal Lands to Parks Program.

Uses/Applications:

- Expand or provide park and recreational amenities
- Protect open spaces, extend hiking trails and open boating and fishing access
- Preserve historical and natural resources
- Convert abandoned military bases into recreational assets

<http://www.nps.gov/flp/>

Rivers, Trails, and Conservation Assistance Program (RTCA)

The Rivers, Trails, and Conservation Program provides river, trail and greenway planning; resource assessment; and conservation workshops. Much of Rivers & Trails assistance is targeted to urban areas. As such, the program can complement brownfields redevelopment efforts. There are four RTCA project areas that support conservation efforts: urban area projects, trails and greenway projects, rails-trails projects, and river projects. A redevelopment project may use any or all of these project areas at the same time. RTCA has an agreement with EPA to support the development of Groundwork USA, a network of local community corporations organized for environmental improvement.

Eligibility Requirements: Projects are locally-requested and led and should include significant public involvement. Projects should also include the commitment, cooperation and cost-sharing of all partners.

Limitations: The RTCA involvement in these partnerships does not exceed two years.

Uses/Applications:

- Assist in the development of conservation partnerships
- Provide resource assessment
- Assist in property acquisition

RTCA Web site

<http://www.nps.gov/rtca/>

Groundworks USA

<http://www.groundworkusa.net/>

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Main Site

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SNAPSHOT ***Kansas City, Missouri***

The Riverfront Heritage Trail is a pedestrian and bicycle trail system that links residential, office, commercial, retail, historical and cultural sites and destinations along the bi-state Kansas City Urban Riverfront. The area is experiencing growing demand from developers, businesses and community organizations for more environmental assessments on additional brownfields in the area. Kansas City continues to conduct assessments of future greenspace sites along the Riverfront Heritage Trail. The trail is located near and adjacent to several brownfields and provides recreational and transportation amenities, enhancing the redevelopment potential of these properties. The city formed a partnership with the National Park Service who provided funding for developing an erasable aerial map of the trail. Kansas City is also exploring the use of engineered wetlands to manage flooding from a nearby creek and stormwater impacts on brownfields developments.

PROGRAM DESCRIPTION

Mission

The Office of Surface Mining (OSM) is a small bureau with responsibility, in cooperation with states and Indian tribes, for the protection of citizens and the environment during coal mining and reclamation. OSM is organized around two principal requirements: regulating active coal mining and reclaiming mines abandoned before 1977. Additionally, OSM operates programs to: eliminate the environmental and economic impacts of acid mine drainage from abandoned coal mines; encourage reforestation of reclaimed mine land; develop techniques that can ensure reclamation of prime farmland soils; and publicly recognize outstanding reclamation.

Brownfields Connections

- Provides information on pre-regulatory mine site issues and development opportunities — targeted to local governments, states, tribes, quasi-public development organizations, non profits, and other entities eligible to apply for EPA Brownfields assessment and cleanup grants.
- Offers grant writing training and assistance through its Clean Streams Program — targeted to watershed groups and other entities eligible to apply for grants to support brownfield redevelopment.
- Supports the assessment, reclamation, and redevelopment of abandoned mine lands as brownfields — targeted to local governments.

RESOURCES

FINANCIAL ASSISTANCE

Clean Streams Program

This program works to eliminate acid mine drainage from abandoned coal mines. Since its start in 1994, this program has funded 77 projects in 10 states.

Eligibility Requirements: Eligible entities include nonprofit organizations, especially small watershed groups. Applicants must have financial management and internal controls systems adequate to manage federal funds.

Limitations: Federal, state, local governments and colleges/universities are not eligible to receive funding directly, but are eligible to participate as subcontractors.

Availability: In fiscal year 2005, OSM will make \$6,900,000 available to fund State Reclamation Grants, \$200,000 for the Acid Drainage Technology Initiative (ADTI) and \$150,000 for program management, maintenance and assistance.

<http://www.osmre.gov/acsihome.htm>

Watershed Cooperative Agreement Program

The Watershed Cooperative Agreement Program makes funds available for reclamation projects to clean streams affected by acid mining drainage.

Eligibility Requirements: Eligible entities include nonprofit organizations, especially small local watershed organizations.

Availability: Applicants normally receive up to \$100,000 for each reclamation project, primarily for project construction. Cooperative Agreements have a two-year performance period

Uses/Applications:

- Project construction
- Administrative costs

TECHNICAL ASSISTANCE

Abandoned Mine Land (AML) Program

The program addresses threats to public health, safety and general welfare through the reclamation of environmental hazards caused by past mining practices. OSM provides training and support to watershed groups interested in brownfields application and helps them prepare grant applications for brownfields projects in coal impacted watersheds.

Eligibility Requirements: Eligible entities include: watershed groups working on properties mined prior to August 3, 1977 and limited sites mined after that.

Limitations: Each state must have an approved Surface Mining Control and Reclamation Act regulatory (Title V) program and a reclamation (Title IV) program before it is eligible to receive reclamation grant funding. Tribes are allowed access to AML funds derived from reclamation fees if they have an approved reclamation program.

<http://www.osmre.gov/osmaml.htm>

OSM/VISTA Watershed Development Team

OSM and the AmeriCorps VISTA (Volunteers in Service to America) program assists watershed groups in capacity-building to improve communities. The OSM/VISTA initiative can provide a watershed group with a full-time, college graduate VISTA Volunteer to support brownfields development and implementation.

Eligibility Requirements: The sponsoring watershed organization must demonstrate its capacity for effective supervision and support of the OSM/VISTA, adherence to the Core Goals for OSM/VISTAs and community support.

Limitations: There is a small cost share requirement for all OSM/VISTAs.

Availability: Complete an application form that documents the poverty of the watershed, the support of local agencies and a work plan. The position is for three years.

Uses/Applications:

- Build capacity in the watershed organization
- Organize the water quality monitoring critical to future funding
- Reach out to youth and adults in their community to create awareness about watershed issues
- Engage in economic revitalization efforts
- Find funding for the revitalization efforts

<http://www.osmre.gov/vista/vistahome.htm>

Mine-Scarred Lands (MSL) Working Group

In July 2003, the MSL Working Group, which includes ARC, was established as a component of the Brownfields Federal Partnership. In order to learn about mine-scarred lands challenges and how federal, state and local entities can work together, the MSL Working Group identified six demonstration projects. State and federal partners are providing resources and assistance to the communities to expedite redevelopment and create models that other mine-scarred lands can adapt in redevelopment.

Eligibility Requirements: Six pilot projects have been selected and activities are underway.

Limitations: There are no plans for other rounds of demonstration projects. However, stakeholders interested in learning about current MSL efforts should contact OSM.

Availability: Assistance is currently being provided to the six MSL pilot projects.

Uses/Applications:

- Address acid mine drainage issues associated with mine-scarred lands
- Develop economic development plans
- Attract investors and private sector stakeholders
- Coordinate acid mine drainage cleanup with other infrastructure issues (e.g. waste water systems)

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SNAPSHOT Kelly's Creek, West Virginia

Several mine-scarred land communities are located within the Kelly's Creek watershed of West Virginia, including the towns of Monarch, Shrewsbury, Cedar Grove, Ward, Mammoth, Glasgow and Riverside. The post World War II decline of the area's coal industry and related businesses left the watershed communities with no economic stability and residents with few transferable job skills. The Kelly's Creek Communities Association (KCCA) was formed by local stakeholders and a partnership with the Office of Surface Mining. The purpose of the program is to inventory and prioritize brownfields in these communities and come up with a strategic redevelopment plan for the Kelly's Creek watershed. Kelly's Creek is one of six nationally recognized projects participating in the federal Mine-Scarred Lands Initiative, which develops model communities for mining related revitalization. This achievement highlights the benefits of interagency partnerships.

PROGRAM DESCRIPTION

Mission

The Small Business Administration (SBA) has offices in every state that provide financing, training and counseling for small businesses. To be eligible for assistance, the SBA requires that a small business be independently owned and operated, not dominant within its field, and meet certain size standards and other eligibility requirements.

SBA programs do not specifically target brownfields – SBA policy states that the agency is not to participate in a project until cleanup and liability relief have been achieved. SBA programs may be used by small businesses for projects that affect redevelopment initiatives, provided that the small business meets SBA criteria for the particular loan program being pursued and obtains satisfactory protection from environmental risk through indemnification agreements or other measures.

SBA programs are available and relevant to small businesses in brownfields communities, and making SBA's District Offices and other resource partners aware of this brownfields connection is an important SBA role. To this end, SBA commits to disseminating brownfields-related information to its District Offices and to all SBA technical assistance providers, such as the Small Business Development Centers, Women's Business Centers, and Service Corps of Retired Executives (SCORE), about Superfund liability exemptions, the benefits of brownfields reuse, and EPA Brownfields Program grant availability.

Brownfields Connections

- Provides information and other non-financial technical assistance for redevelopment efforts — targeted to small businesses.
- Offers loan guarantees to support small businesses — targeted to small businesses through lending institutions and certified development corporations.
- Assists in developing management and marketing skills — targeted to small businesses.

RESOURCES

FINANCIAL

Section 504 Certified Development Company (CDC) Program

This program helps small businesses finance acquisition of land, buildings and machinery, as well as construction, renovation and expansion of existing facilities. This program would be appropriate to use to acquire a brownfield after cleanup is complete, or to establish a business on a site after cleanup. The program is operated through nearly 300 SBA-licensed CDCs nationwide.

Eligibility Requirements: Eligible entities include businesses that are operated for profit and fall within the size standards set by the SBA. Under the program, the business qualifies as small if it does not have a tangible net worth in excess of \$7,000,000 and does not have an average net income in excess of \$2,500,000 after taxes for the preceding two years.

Limitations: The program cannot be used for working capital or inventory, consolidating or repaying debt, or refinancing. Loans cannot be made to businesses engaged in speculation or investment in rental real estate.

Availability: The typical Section 504-supported loan is approximately \$300,000.

Uses/Applications:

- Purchase land and improvements including existing buildings, grading, street improvements, utilities, parking lots and landscaping
- Construction of new facilities, or modernizing, renovating or converting existing facilities
- Purchase of long-term machinery and equipment

<http://www.sba.gov/financing/sbaloan/cdc504.html>

Section 7(a) Loan Guarantee Program

This program aims to increase the amount of capital available to small businesses that would not otherwise be able to obtain financing through the commercial banking community and non-bank lending institutions. In addition, SBA has adopted a "Low Doc" (low documentation) approach to Section 7(a) loan guarantees to encourage more lenders to handle smaller SBA-backed loans of less than \$150,000. The program features a two-page application and a rapid response from SBA.

Eligibility Requirements: Businesses that are considered for financing guarantees must meet SBA requirements. Some types of businesses are ineligible for financial assistance, which are listed on the program's Web site.

Limitations: SBA does not fully guaranty 7(a) loans. The lender and SBA share the risk that a borrower will not be able to repay the loan in full.

Uses/Applications:

- Purchase land or buildings, to cover new construction as well as expansion or conversion of existing facilities
- Acquire equipment, machinery, furniture, fixtures, supplies or materials

<http://www.sba.gov/financing/sbaloan/7a.html>

TECHNICAL ASSISTANCE

Office of Small Business Development Centers (SBDCs)

SBDCs provide counseling and training to small businesses to develop and provide informational tools to support business start-ups and existing business expansion.

Eligibility Requirements: Eligible entities include existing SBDC recipient organizations.

Limitations: SBDC applicants are required to provide at least an equal amount of matching funds from sources other than the federal government.

Uses/Applications:

- One-on-one counseling
- Assistance in technology transfer, research and development
- Assistance for small businesses in rural areas
- Assistance for small businesses in exporting by identifying and developing potential export markets
- Base closures assistance — assist small businesses to develop and implement strategic business plans to timely and effectively respond to the planned closure or reduction of a Department of Defense (DOD) facility
- Maintain current information concerning environmental, energy, health, safety and other federal, state and local regulations

<http://www.sba.gov/sbdc/>

Online Women's Business Center

The center serves as a resource center for the Office of Women's Business Ownership, which promotes the growth of women-owned businesses through programs.

<http://www.onlinewbc.gov/>

Service Corps of Retired Executives (SCORE)

SCORE is a nonprofit association dedicated to entrepreneurial education and the formation, growth and success of small businesses nationwide. SCORE's extensive, national network of 10,500 retired and working volunteers are experienced entrepreneurs and corporate managers/executives. These volunteers provide free business counseling and advice as a public service to all types of businesses, in all stages of development.

<http://www.score.org/>

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SNAPSHOT
Malden, Medford, and Everett,
Massachusetts

The cities of Malden, Medford and Everett are concentrated in an area five miles north of Boston, Massachusetts. They are known for the manufacturing and industrial activities centered around the Malden River and abutting railroads. The three cities have joined together on a project to construct a state-of-the-art telecommunications research and development park, called TeleCom City. In 2001, the U.S. Small Business Administration executed the release of a lien on a property to be donated to the Mystic Valley Development Commission for the Commercial Street/Corporation Way reconstruction. The current plan design calls for an initial phase of 331,200 square feet of office and research and development space and 200 units of housing on a 30 acre site in the Medford section of the project area.

PROGRAM DESCRIPTION

Mission

The Federal Highway Administration (FHWA) helps fund the construction, maintenance and improvement of Interstate highways and other roads. Typical projects financed under the Federal-Aid Highway Program include: road widening and reconstruction; new construction of roads, transportation centers, intermodal facilities, and recreational trails; access improvements; bridge replacement or rehabilitation; and bicycle and pedestrian facilities.

While the program does not specifically target financing toward brownfields, cleanup funding is available through FHWA programs, as long as the cleanup is a necessary part of an approved transportation project.

Brownfields Connections

- Provides funds to support eligible transportation projects related to brownfields redevelopment.
- Highway funds can be used for transit projects that reduce congestion.
- Transportation enhancement projects, including pedestrian and bicycle facilities, acquisition of scenic easements, landscaping and historic preservation.
- Funds transportation projects that reduce air emissions.

RESOURCES

FINANCIAL

Surface Transportation Program

FHWA funds transit projects that reduce congestion and improve air quality.

Uses/Applications:

- Bridges
- Transit project capital costs
- Carpool projects, parking facilities and bicycle and pedestrian facilities
- Roads enhancing access to brownfields

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

Through CMAQ, FHWA funds transportation projects that reduce emissions in EPA's designated air quality non-attainment and maintenance areas.

Eligibility Requirements: Eligible applicants include: state departments of transportation, metropolitan planning organizations (MPOs) and other elements participating in public-private partnerships

Limitations: Funds must be spent in non-attainment or maintenance areas. Projects must reduce the pollutant for which the area is non-attainment or maintenance.

Availability: Funds must be obligated within four years of award, which are mostly earmarked.

Uses/Applications:

- Support transit and public transportation programs specifically through: service or system expansion; provision of new transit service; and financial incentives to use existing transit services
- Freight and intermodal infrastructure
- Traffic flow improvements
- Travel demand management strategies
- Pedestrian and bicycle programs

<http://www.fhwa.dot.gov/environment/cmaqpgs/>

Transportation and Community and System Preservation Pilot Program (TCSP)

TCSP provides funding that “can be used to examine transportation strategies that relate to brownfields redevelopment, such as planning access to redeveloped brownfield sites; upgrading existing urban transportation systems; and connecting local community members to new brownfield-related jobs.”

Eligibility Requirements: Eligible entities include: states, regional and local governments, MPOs and tribal governments.

Limitations: TCSP Program grantees must meet federal-aid requirements when implementing their grants.

Availability: Fiscal year 2003 was the last year for funding for the TCSP program as authorized by the Transportation Equity Act for the 21st Century (TEA-21). Continued availability is contingent upon pending legislation.

Uses/Applications:

- Improve the efficiency of a transportation system
- Reduce environmental impacts of transportation
- Reduce the need for costly future public infrastructure investments

- Ensure efficient access to jobs, services and centers of trade
- Examine development patterns and identify strategies to encourage private sector development patterns

<http://www.fhwa.dot.gov/tcsp/index.html>

Transportation Enhancement (TE) Activities

TE activities offer communities funding opportunities to expand transportation choices such as: bicycle and pedestrian facilities; scenic routes; and other investments that increase recreation opportunity. Communities may also use TE funds to contribute toward the revitalization of local and regional economies by restoring historic buildings; renovating streetscapes; or providing transportation museums and visitors centers. TE is an example of a project that has applicability to brownfields, even though it is not designated as such.

Uses/Applications:

- Provision of facilities for pedestrians and bicycles
- Acquisition of scenic easements and scenic or historic sites
- Landscaping and other scenic beautification
- Historic preservation
- Rehabilitation and operation of historic transportation buildings, structures or facilities (including historic railroad facilities and canals)
- Preservation of abandoned railway corridors (including the conversion and use thereof for pedestrian or bicycle trails)
- Environmental mitigation to address water pollution due to highway runoff or reduce vehicle caused wildlife mortality while maintaining habitat connectivity

<http://www.fhwa.dot.gov/environment/te/index.htm>

TECHNICAL ASSISTANCE

Transportation Planning

FHWA helps MPOs develop long-range transportation plans that consider changes in future population and traffic patterns, as well as predict the economic and infrastructure changes needed to support these changes.

<http://www.fhwa.dot.gov/planning/index.htm>

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SNAPSHOT Evanston, Wyoming

The City of Evanston, Wyoming was originally a railroad hub. In 1912, the Union Pacific Railroad began construction on a large yard with a 63,000-square-foot roundhouse and 11 adjacent buildings. Since 1972, Union Pacific has donated more than 290 acres to the city, including a 265-acre parcel known as Union Center and the Evanston Rail Facility. Evanston has targeted the area for conducting environmental assessments, and is also planning for cleanup and redevelopment into a museum and industrial park. The city successfully applied for and received funding through a partnership with the Federal Highway Administration for a Transportation Equity Act (TEA-21) grant to supplement redevelopment costs. The Union Pacific Roundhouse and Railyards continue to make significant progress toward revitalization. The City of Evanston has contracted with architects regarding design work on the buildings. The Machine Shop on the property is complete and available for rent to the public.

PROGRAM DESCRIPTION

Mission

The Federal Transit Administration (FTA) provides financial and technical assistance to local public transit agencies. Since most brownfields are located in urbanized and industrial areas where transit is usually a viable transportation option, FTA programs can play a role in local redevelopment efforts. Connecting the redevelopment site into the regional transit network can expand its potential uses and improve its marketability. While the program does not target financing toward brownfields, funding for cleanup is available through the federal transit program, as long as the cleanup is a necessary part of a transit project. FTA will share best practices and offer technical assistance and training to metropolitan planning organizations (MPOs), along with states and local governments.

Brownfields Connections

- Provides grants for transit capital and maintenance projects — targeted to public transit agencies in urban and non-urban areas.
- Offers discretionary capital grants for new fixed guideway transit lines, bus-related facilities and new buses and rail vehicles — targeted to public transit agencies, primarily in larger metropolitan areas.
- Funds transportation and land-use planning — targeted to metropolitan planning organizations, through the states.
- Promotes delivery of safe and effective public and private transportation in non-urban areas — targeted to non-urban local governments, through the states.

RESOURCES

FINANCIAL

Urbanized Area Formula Grants

These grants provide federal assistance for transit and related planning, capital and operating assistance within urbanized areas with populations of 50,000 people or more.

Eligibility Requirements: Funds are apportioned by formula. The designated recipient may apply for all grants in the urbanized area or distribute the funds to other eligible recipients.

Limitations: The required matching ratio is 80 percent federal share and 20 percent local share for capital and planning projects.

Availability: Congress appropriates roughly \$3,600,000,000 annually for this program.

Uses/Applications:

- Bus and rail system replacements
- Maintenance of equipment
- Facility construction
- System modernization and rehabilitation

<http://www.fta.dot.gov/library/legal/factsp1.htm>

Non-Urbanized Area Formula Grants

These grants provide capital and operating assistance through the states to transit operators in small urban and rural areas with populations of less than 50,000 people.

Eligibility Requirements: Grants are awarded to states.

Availability: Congress appropriates approximately \$240,000,000 annually for this program.

<http://www.fta.dot.gov/library/legal/factsp3.htm>

Discretionary Capital Program

This program provides grants to assist in financing capital projects that will benefit the country's transit systems.

Availability: Congress appropriates approximately \$3,400,000,000 annually for this program of which approximately 40 percent goes to new fixed guideway projects, 40 percent to modernization of older fixed guideways and 20 percent to buses and bus facilities.

Uses/Applications:

- Bus facilities
- Modernization or construction of fixed guideway systems

Metropolitan Planning Program (Section 5303)

These funds are apportioned to states and local public bodies on the basis of urban area population to support various types of planning.

Eligibility Requirements: A transportation project must be included in the metropolitan transportation plan. States then allocate assistance to the MPOs.

Availability: Congress appropriates approximately \$60,000,000 annually for metropolitan planning through the FTA program.

Uses/Applications:

- Studies relating to management, operations, capital requirements, innovative financing opportunities and economic feasibility of transit projects
- Evaluation of previously funded projects
- Development of long-range and short-range transportation plans and transportation improvement programs
- Analyses of social, economic and environmental factors related to travel and transportation
- Air quality planning and conformity planning
- Public involvement in the transit/transportation planning process
- Multimodal facilities planning
- Joint development planning
- Computer hardware and software needed to support planning work

http://www.fta.dot.gov/legal/guidance/circulars/8000/911_ENG_HTML.htm

Statewide Planning Program, Section 5313(b)

This program provides financial assistance to states for statewide planning. The supported list of eligible planning activities is nearly identical to that of the Section 5303 program, with the products being a statewide plan and statewide transportation improvement program (STIP).

http://www.fta.dot.gov/932_ENG_HTML.htm

ADDITIONAL INFORMATION

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SNAPSHOT
Wellston, Missouri

Wellston, Missouri is an aging, industrial municipality that has experienced tremendous decline and disinvestment over the past few decades. In order to spur redevelopment, the city focused funding on transforming area brownfields into the Wellston Technology Park (WTP). The WTP required improvements to infrastructure to facilitate residential and commercial development. As part of the redevelopment, the city was able to leverage \$325,000 from the Federal Transit Administration's Livable Communities Initiative for the construction of a nonprofit day care center. The project's goal is to create employment and reinvestment opportunities by redeveloping a 100-acre abandoned industrial area into a light industrial technology park, complemented by residential and commercial redevelopment.

Other Support for Brownfields Cleanup and Redevelopment

An Overview of Opportunities for State —

Federal Funding Coordination

Federal Brownfields Tax Incentive

New Markets Tax Credits

Low Income Housing Tax Credit

Federal Historic Preservation Tax Incentives

Community Reinvestment Act

An Overview of Opportunities for State — Federal Funding Coordination

Over the past decade, national trends in brownfields financing have focused on partnerships with federal agencies that have targeted resources to meeting various brownfield needs. The brownfields “marriages” promoted by EPA were first launched in 1997 as part of Brownfields National Partnership Action Agenda. These links have been creative and productive, as outlined in this guide. However, traditional state development programs can also be used creatively in the brownfields financing mix. This section provides examples of creative financing programs and suggestions for how resources can be leveraged together to enable site developers to pursue funding for a range of project components.

When examining the experiences of several communities, it is clear that successful brownfields revitalization requires innovative funding partnerships that link together a number of federal, state and local financing programs and resources. During the last decade, many communities have discovered how to take these types of partnerships to the next level and link state program resources with federal funding and technical support in order to realize even greater leveraging opportunities. Across the country, localities are increasingly turning to their states for support, recognizing that good coordination among state and federal agencies (along with the private sector) is necessary to piece together possibly a dozen or more program sources that may be needed to carry out a brownfield project.

The level of brownfields revitalization continues to increase, even in the face of mixed real estate markets. Governments at all levels can find creative ways to help enterprises overcome the obstacles that environmental contamination brings to the economics of the site reuse process. Federal financing programs, linked to brownfields projects and coordinated with complementary state efforts, can do much to help level the economic playing field between greenfield and brownfield sites. Creatively crafted and carefully targeted incentives and assistance can help advance cleanup and reuse activities. However, such strategies must recognize that brownfields projects differ considerably in terms of barriers to investment and opportunities for redevelopment. Therefore, no one “best” public-sector approach — state, federal or a single combination of programs — will fit all needs. This is why coordination plays such a key role; various programs with similar missions and eligibility criteria that ultimately promote community revitalization must be stitched together to meet the diverse needs and common goals of brownfields revitalization.

At the state level, as the brownfields reuse issue has evolved, a growing number of state officials have begun to recognize the critical role that financial incentives must play as a critical piece of the financing puzzle. Certainly, they are well positioned to promote the federal, state, local and private-sector cooperation that makes for brownfields success, because all states have some type of economic development, environmental, transportation, infrastructure and other departments that can contribute to these efforts and channel resources and incentives toward activities that may also include key brownfields activities such as site assessment, reuse planning, cleanup and redevelopment

Accordingly, states are putting many different — but equally effective — approaches in place to meet the diverse financing challenges of brownfields reuse. Increasingly, these approaches are being linked to federal and state development programs to provide the continuum of financing that is needed to take a brownfields project through its complete cycle of redevelopment, from site assessment to cleanup to construction. (For complete information, see *State Brownfields and Voluntary Cleanup Programs*, at www.epa.gov/brownfields). These programs are varied as described below.

State Tax Incentives — Credits, Abatements and Other Tax Incentives Being Applied to Brownfields Projects

These programs basically help with a project’s cash flow by allowing revenue to be used for brownfields purposes rather than for tax payments. This can help site re-users get the cash together to deal with site preparation costs that contamination involve. This cash flow cushion from a tax break can also help a project’s financial look in the eye of a lender. State and federal tax incentives historically have been used to channel investment capital and promote economic development in areas that have needed it — and brownfields targeting is a natural evolution of this type of program tool. Most tax incentives are targeted to offset cleanup costs or to provide a buffer against increases in property value that would raise tax assessments before the site preparation costs are paid off. About 23 states offer some type of tax incentive, including:

- Deferral of increased property taxes — Connecticut and Texas
- Remediation tax credits — Illinois, Ohio and Wisconsin
- Cancellation of back taxes — Wisconsin and Massachusetts

- Rebates of sales taxes to offset cleanup costs — New Jersey
- Tax incentive “menu” to enhance re-user financial flexibility — Missouri
- Environmental insurance tax credit — New York
- Business tax offset — Michigan

Financial Assistance Programs that can be Targeted Directly to Promote Brownfields Reuse

Capital gaps remain the biggest barrier to brownfields reuse, and more than half the states have worked to address this issue by putting some sort of financing incentives in place — both direct financing tools, such as loans or grants, or indirect financing assistance such as tax abatements or credits. These programs meet several objectives: they are targeted to help finance specific parts of the project, such as site preparation; they can be used to increase the lender’s comfort with these projects, by offering guarantees to limit the risk of potential losses; or they can ease the borrower’s cash flow by plugging certain capital holes or off setting the extra up-front costs of site cleanup. Some 22 states offer some sort of targeted brownfields financial assistance, including:

- Indiana’s forgivable remediation loans, newly expanded to petroleum sites
- Florida’s tax “bonus refund” pegged to job creation
- Florida’s low-interest loans for contractor/tax lien purchases
- Massachusetts’ and Wisconsin’s insurance subsidies
- Michigan’s Brownfield Redevelopment Authorities
- Kansas’ focus on agricultural-related contaminants
- Illinois’ brownfield redevelopment loan program

Direct Financing Efforts

These programs directly match resources to needs, usually in places where the private sector may fear to tread. About 14 states are doing this, one way or the other, including:

- Low interest cleanup loans — Delaware, Indiana and Wisconsin
- Remediation grant funds — New Jersey and Minnesota
- State revolving loan or redevelopment funds — Indiana, Michigan, Wisconsin and Massachusetts
- “Just in Time” Phase II site assessment program — Indiana

Efforts that Enhance Financing

More states are promoting initiatives that expedite the financing process, attract other program resources and save money in the long run. Some 10 states have some type of program in place to facilitate financing with minimal cash outlays, using tools like cancellation of delinquent taxes for new purchasers as part of an agreement to clean up contaminated property. State budget crises have increased the focus on such innovative approaches, such as:

- Linking site owners to state voluntary cleanup programs (VCPs) and brownfields programs – which can bring finality to the cleanup process via liability relief and facilitate the use of environmental insurance
- Educating site owners about ways in which state VCPs and brownfields programs can facilitate access to other financing tools — such as use of the federal brownfields tax expensing incentive
- Helping site owners initiate institutional or engineering controls, and introduce innovative technologies
- Providing a climate that provides for better management of risk, which can reign in costs

In addition, more creative leveraging is taking place; states are especially well-positioned to promote brownfields reuse projects by giving a new twist to their existing economic development finance programs. As with federal programs, many state efforts were designed, and their rules were defined, long before brownfields concerns surfaced.

Loan Programs

Nearly every state offers economic development loans, either directly or through development agencies, authorities or corporations, which can provide excellent leverage if properly coordinated with and targeted to the special financing needs of brownfields. These programs are capitalized from a variety of sources — general appropriations, fee collections or repayments from previous federal or state project loans.

Illinois offers a Brownfield Redevelopment Loan Program that provides low-interest loans to local governments and private parties for site assessment, remediation and demolition costs. This is intended to complement the state’s existing grant program that gives cities up to \$120,000 to pay for site assessments and preparation of cleanup plans. The Mississippi River town of Rock Island has used these programs, in conjunction with federal transportation funds, to transform a derelict riverfront

manufacturing site into a new mixed-use commercial and residential development, with these programs helping with site preparation and construction of infrastructure needed to serve the new uses. Kansas City has tapped into Missouri state business development programs to clean and transform the former Kansas City Terminal Railway yard into unique office space, creating 600 new jobs.

Loan Guarantees

Many states offer loan guarantees to minimize various risks that make financial institutions hesitant to lend on brownfield properties. Small businesses, start-ups and new technology ventures typically are viewed as especially risky and often addressed in state programs; environmental risks are rarely addressed but could be the focus of a guarantee effort if better linked to existing programs. In particular, loan guarantees could help attract private investments at sites which also tap into federal infrastructure or site improvement programs.

To this end, Florida has added a loan guarantee program to its brownfields tool box, which provides five years of guarantees or loan loss reserves for primary lender loans made in defined brownfields areas for redevelopment projects.

Tax Credits, Abatements and Other Incentives

These can help a project's cash flow, and many states have linked their programs to federal program incentives. In practice, they can help channel investment capital and promote economic development in areas of need, and brownfield targeting is a natural evolution of this type of program tool.

Some states, such as Wisconsin, have been especially skillful in linking state tax incentives (such as forgiveness of back taxes) with federal tax credits. At the Sherman Perk project in Milwaukee, forgiveness of nine years of back taxes attracted a small community developer to the site — an abandoned but historically significant gas station dating back to the 1930s. With site title in hand, the developer also used federal historic rehabilitation tax credits and city business development loan funds to bring the site from ruin to reality. In Colorado, tax credits have been designed to encourage smaller site cleanups; a 50 percent tax credit against the first \$100,000 in cleanup costs, 30 percent of the second \$100,000 and 20 percent of the next \$100,000.

State Enterprise Zones

More than 30 states nationwide currently administer their own Enterprise Zone programs with tax, training and other development incentives to spur investment and job creation in more than 1,400 designated areas. Operating independent of existing federal financing programs, they offer good opportunities for linkage.

In New Jersey, a brownfields developer working to create a shopping complex in Elizabeth was able to market the site because of the reduced sales tax (only three percent) incentive available to state zone commercial operations. Most state programs provide some blend of fiscal incentives such as tax credits or abatements, or access to low-cost development capital, and these could be targeted to brownfield projects.

State Clean Water Revolving Loan Funds

The Environmental Protection Agency (EPA) provides annual funding to each state, to capitalize Clean Water State Revolving Loan Funds (CWSRLFs). This tool has considerable potential at brownfields where water quality is an issue. States can use their clean water RLFs for low- or no-interest loans of up to 20 years. Specifically, brownfields cleanup to correct or prevent water quality problems can be considered eligible if it focuses on abatement of polluted runoff, control of storm water runoff, correction of ground water contamination or remediation of petroleum contamination. CWSRLFs can cover the costs of activities like excavation and disposal of underground storage tanks; capping of wells; excavation, removal, and disposal of contaminated soil or sediments; or Phase I, II or III assessments. Each state determines what entities may use its revolving fund resources. EPA allows communities, municipalities, individuals, citizen groups and nonprofit organizations to be loan recipients. Usually, loans are repaid through sources such as developer fees, recreational fees, dedicated portions of state, country or local government taxes, stormwater management fees, or wastewater user charges.

To date, only a few states — notably, New York, New Mexico and Ohio — have encouraged brownfields-related projects to use these resources, with Ohio recognized as the national leader in this regard. In Cleveland, the Grant Realty Company used a Clean Water revolving loan from Cuyahoga County to clean contaminated ground water and soils at a 20-acre industrial site and prepare it for commercial use. Repayment is coming from the income stream from a tank cleaning operation, and a personal loan guarantee and second mortgage as collateral.

State Transportation Funding Allocations

More states are encouraging their communities to make creative use of transportation funds for brownfields purposes.

As a growing list of examples shows, transportation activities can be connected with brownfields projects. For example, the brownfield site itself may be a transportation facility (e.g., a road or rail yard) in need of upgrading, such as in Portland, Oregon where the city has done this as part of its Macadam District and Union Station area neighborhood redevelopments. In addition, transportation infrastructure improvements may be needed to make the site more usable and marketable, typically by expanding access for vehicles, freight or passengers, as Buffalo has done with its William Gaiter parkway project and Old Town, Maine has done with its waterfront redevelopment initiative. Finally, and increasingly key, part of the transportation solution can also part of the environmental solution, where roads, parking lots and other transportation structures can be used as caps to limit exposure. Towns from Emeryville, California to Bridgeport, Connecticut have used transportation funding for these purposes.

Financing Enhancements Linked to State VCPs

VCPs are initiatives that have been put into place to encourage the voluntary cleanup of contaminated sites. They are targeted specifically to overcome the barriers associated with brownfields activity and to better link together both cleanup and redevelopment activities that may be needed at a site. VCPs seek to provide predictability and finality to the brownfields process. Voluntary programs differ from other environmental programs because they provide a way for owners or developers of a site to approach the state *voluntarily* to cooperatively work out a process by which the site can be cleaned up appropriately, and made ready for new uses.

Specific state programs vary — because the nature of contamination and site reuse varies from place to place — but all VCPs share several common goals. First, VCPs aim to provide a program that makes it easier and more predictable to bring contaminated sites back to productive use. They do this by establishing a recognized and predictable process for determining how clean is clean at any given site, and what steps need to be taken to achieve this. Second, VCPs aim to bring more certainty to brownfields reuse by offering some level of liability relief. This appeals to lenders and developers, and gives them the assurance they need to take on brownfield sites — and this level of certainty and comfort seems to grow

over time as VCPs take hold and build a track record level of trust. And third, many VCPs help to expedite the financing process, by providing seed resources or incentives to leverage private investment in brownfields projects.

Increasingly, VCPs are playing a role in leveraging financial assistance programs. Some cities, such as Milwaukee and Cincinnati, have linked specific redevelopment projects and local incentives to sites that have completed the state VCP process. The Federal Brownfield Tax Incentive is available only to site owners whose property has been certified as a brownfield by VCPs or similarly designated state agencies.

In short, many brownfields have the potential to become economically viable, hosting new business activity and jobs. Typically, brownfields success stories are found in places that have adopted their own site characterization and reuse tools and creatively built on the foundation provided by federal or state economic development programs or tax policies. But these are only the first steps; the potential exists for even greater activity.

Program Background

The Federal Brownfields Tax Incentive encourages brownfields cleanup and redevelopment by allowing taxpayers to reduce their taxable income by the cost of their eligible cleanup expenses. Designed to spur investment in blighted properties and assist in revitalizing communities, the Federal Brownfields Tax Incentive serves as a critical tool in brownfields cleanup and redevelopment efforts.

How the Program Functions

By using the Federal Brownfields Tax Incentive, environmental cleanup costs are fully deductible in the year that they are incurred, rather than the costs being capitalized. There are three requirements to qualify:

1. The property must be held by the taxpayer incurring the eligible cleanup expenses for use in a trade or business or for the production of income.
2. Hazardous substances must be present or potentially present on the property.
3. Taxpayers must obtain a statement from a designated state agency verifying eligibility for the Tax Incentive, such as through a voluntary cleanup program.

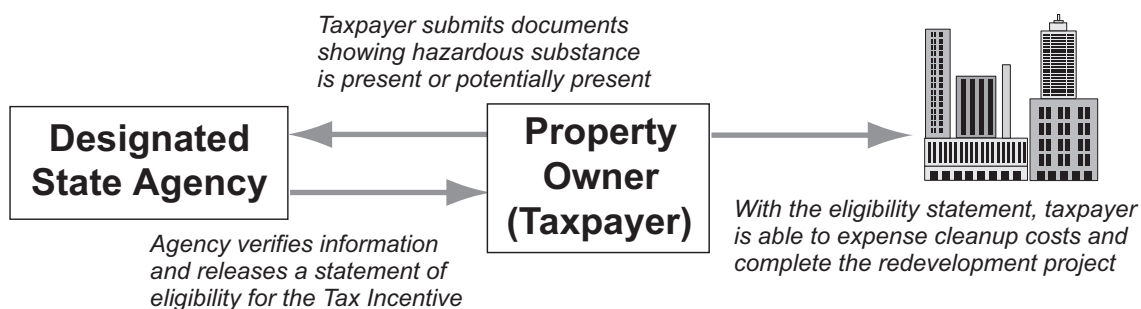
Properties listed or proposed for listing, on EPA's National Priorities List (NPL) are not eligible for the Tax Incentive.

The cleanup costs that are eligible to be expensed are extensive. Activities such as construction of access roads, operations and maintenance and state Voluntary

Cleanup Program (VCP) oversight fees are eligible expenditures as long as they are used in connection with the abatement or control of a release, or threat of a release or disposal of a hazardous substance at a property. Site assessment and investigation activities also qualify, if incurred in connection with the abatement or control of hazardous substances at a qualified contaminated site. Stakeholders interested in using the Tax Incentive on their properties should consult their state's list of qualified expenditures.

The steps to receiving the Tax Incentive are straightforward:

- Taxpayer begins cleanup and redevelopment project planning and considers using the Federal Brownfields Tax Incentive.
- Taxpayer determines that a hazardous substance is present or potentially present on the property in question.
- Taxpayer submits appropriate documents to the designated state agency showing the hazardous substance is present or potentially present. Interested parties contact their designated state agency to determine what documentation is required.
- Designated state agency verifies information and releases a statement to the taxpayer verifying eligibility for the Tax Incentive.
- Once the statement is issued, the Internal Revenue Service (IRS) considers it valid for the life of the Tax Incentive. To claim the deduction, taxpayers write "Section 198 Election" on their income tax return next to the line where the deduction is claimed.



SNAPSHOT

San Francisco Giants SBC Park, San Francisco, California

In December 1995, the San Francisco Giants baseball team announced plans to build the first privately-financed Major League ballpark in more than 30 years. The China Basin Ballpark Co., LLC, identified a 13-acre former industrial property located at China Basin near downtown San Francisco. The selected property was part of the larger Rincon Point-South Beach redevelopment project, a 115-acre redevelopment project along San Francisco's northeastern waterfront.

The China Basin Ballpark Co. leased the land from the Port of San Francisco. Prior to redevelopment, most of the area around the property was characterized by dilapidated warehouses, open cargo storage yards, abandoned buildings, crumbling piers and unimproved streets. Former uses of the property included a waterfront landfill as well as industrial warehouses. The landfill contained waste from a coal gasification plant and other former waterfront industries.

It is estimated that use of the Federal Brownfields Tax Incentive allowed several million dollars in cleanup expenses to be returned to the developer, according to the Northeast-Midwest Institute. Total construction costs exceeded \$300 million. Some Giants team officials were concerned that the high, privately funded construction costs would hurt the franchise financially. However, the team has seen annual revenue increase every year since the 41,000-seat park was completed and opened in April 2000.

Since the opening of SBC Park, the surrounding area has blossomed with restaurants, offices and housing. Light rail and open space improvements now link the area with other areas of San Francisco, and the ballpark draws crowds from throughout the Bay Area and beyond.

How the Program is Used

Both large- and small-scale cleanup and redevelopment projects benefit from the use of the Federal Brownfields Tax Incentive. Among stakeholders that have used the Tax Incentive there is consensus that it is beneficial in expensing cleanup costs and entails a fairly simple application and certification process. Stakeholders considering brownfields cleanup and redevelopment projects should consider using the Tax Incentive because of its simplicity and effectiveness.

It is most beneficial to stakeholders to use the Tax Incentive in the early planning stages of the cleanup/redevelopment process in order to create consistency in tax and accounting procedures throughout the life of the project.

Advantages for Brownfields Stakeholders

The use of the Tax Incentive can provide many advantages such as:

- The Tax Incentive allows taxpayers to deduct cleanup costs and therefore gain a tax advantage sooner. Previously, buyers of a contaminated property had to purchase the property at its impaired value and then capitalize any cleanup costs over several years.

- The use of the Tax Incentive gives brownfields stakeholders an added boost in income for the year. This is beneficial for small business owners because cash flow is not disrupted, or protracted over years.
- Small businesses in the environmental cleanup and consulting sector use the Tax Incentive to complete successful brownfields cleanup and redevelopment projects. These projects lead to the businesses actively seeking out new brownfields redevelopment opportunities. After realizing the benefits of the Tax Incentive, stakeholders can expand their business operations to include brownfields cleanup and redevelopment activities.
- The Tax Incentive can be used to leverage the money devoted to construction. For example, in a situation where a taxpayer capped soil contamination with a parking lot, the service costs related to the soil remediation and cap construction were deductible.

US EPA Brownfields Tax Incentive Web Site

Visit the U.S. EPA Brownfields Tax Incentive Web site at: <http://www.epa.gov/brownfields/bftaxinc.htm#other>

The EPA Web site contains background information and program description, frequently asked questions, state contacts for the Tax Incentive, case studies and historical information.

Internal Revenue Service Publication 954: Tax Incentives for Empowerment Zones and Other Distressed Communities

Further information is available in IRS Publication 954: *Tax Incentives for Empowerment Zones and Other Distressed Communities* at:
<http://www.irs.gov/pub/irs-pdf/p954.pdf>

Program Background

The New Markets Tax Credit (NMTC) Program is designed to stimulate the economies of low-income communities. The NMTC Program was created through the Community Renewal Act of 2000. It is administered by the Community Development Financial Institutions (CDFI) Fund under the U.S. Department of the Treasury. Each year, tax credits are allocated for distribution to certain qualifying entities, known as Community Development Entities (CDEs), through the CDFI Fund. The NMTC is beneficial to brownfields developers.

The NMTC Program provides private-sector investors (e.g., banks, insurance companies, corporations or individuals) with federal income tax credits, in return for new investments in eligible businesses in low-income communities, including brownfields projects. CDEs can include organizations such as community development corporations (CDCs), community development financial institutions, community development venture capital funds, small business development corporations, community loan funds, specialized small business investment companies and others. The purpose of the NMTC Program is to expand the availability of credit, investment capital, and financial services in distressed urban and rural communities. This unique funding mechanism offers a viable option for brownfields stakeholders.

How the Program Functions

The NMTC Program allows certified CDEs to apply through a competitive application process to receive an allocation of New Markets Tax Credits. Once a CDE receives an allocation of credits, the credits can be offered to investors in exchange for project financing and stock or capital interest in the CDE project. The credit provides a total of 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

For example, an investor wants to receive tax credits from a CDE that has received an allocation of New Markets Tax Credits. This investor (taxpayer) has \$100,000 to invest in the CDE. The identified CDE is completing a mixed-use redevelopment project on a brownfields property. In exchange for the \$100,000 investment in the CDE's

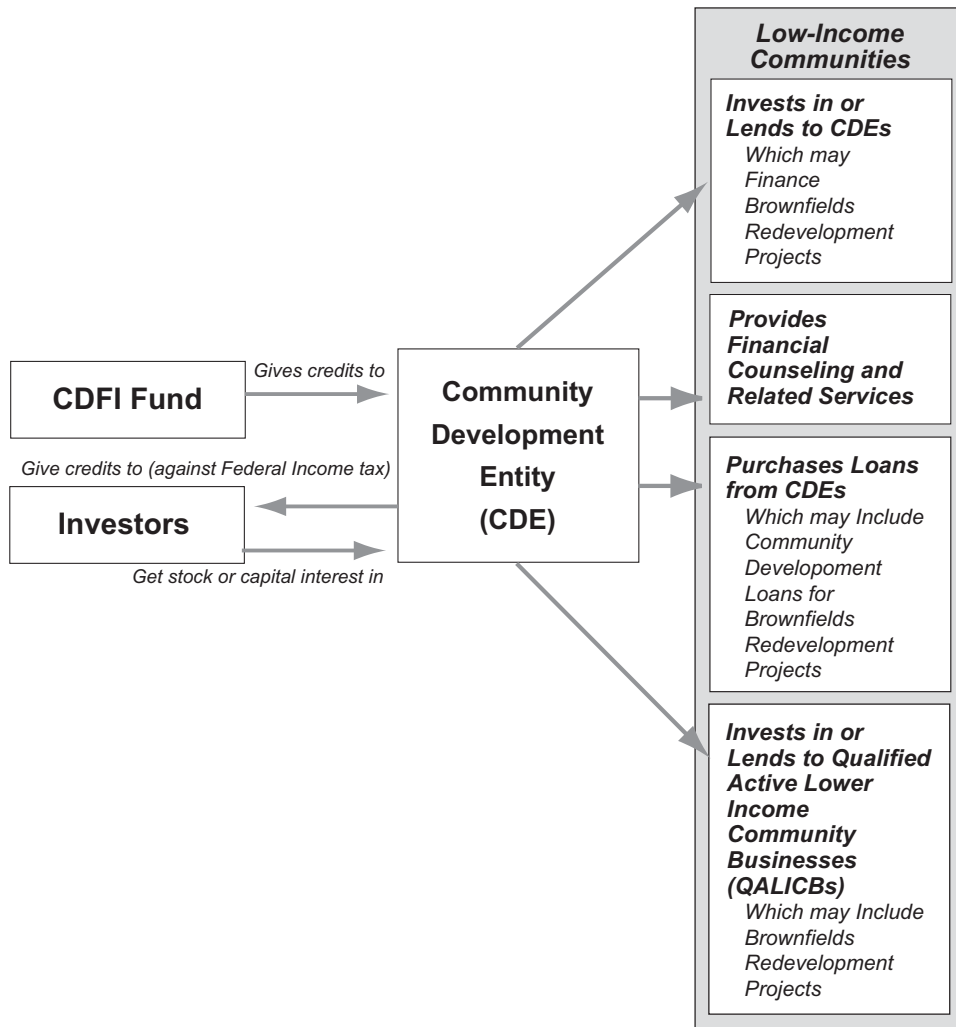
project, the taxpayer receives \$39,000 worth of tax credits (available over seven years) which will reduce the amount of income owed by the investor by \$39,000. The investor will also receive stock or an equity interest in the CDE's redevelopment project.

Although all of a CDE's investments must be made within a low-income area identified by a CDE, there is significant flexibility in the types of projects the CDE can support. All investments made by a CDE have some potential for a rate of return. Eligible investments for CDEs in low-income communities include:

- An investment in a qualified active low-income community business
- The purchase of a loan or loans made by a CDE to qualified active low-income community businesses which allows return via secondary market-type approach
- Financial counseling and other technical services to qualified active low-income community businesses
- Loans or investments in real estate projects, including brownfields cleanup and redevelopment

Before being eligible to receive New Markets Tax Credits, a CDE must become certified. When applying to become certified as a CDE, the CDFI Fund evaluates CDE applications in four areas: business strategy, capitalization strategy, management capacity and community impact. In addition, the CDE must maintain accountability to residents of low-income communities through representation on a governing or advisory board. Community entities applying to become a CDE may submit CDE Certification Applications at any time of the year to the CDFI Fund. The CDE application process is straightforward and takes little time to complete. Once an organization is certified, the designation lasts for the life of the organization. Both nonprofit and for-profit groups may apply to be certified by the CDFI Fund.

YR 1:	\$5,000	<i>Each investor can claim 5% or \$5,000 annually from their federal income tax in years one to three of the tax credit. In years four through seven, the investors can claim 6% or \$6,000 per year. The total tax credit value to the investor over seven years is \$39,000 or 39%.</i>
YR 2:	\$5,000	
YR 3:	\$5,000	
YR 4:	\$6,000	
YR 5:	\$6,000	
YR 6:	\$6,000	
YR 7:	\$6,000	
TOTAL:	\$39,000	



SNAPSHOT CDEs Investing in Brownfields Projects

Several CDEs are exploring investments in brownfields projects, such as:

- **Great Lakes Region Sustainability Funds LLC:** This CDE will make loans and take equity positions in businesses and real estate projects in low-income communities in Illinois, Indiana and Wisconsin. These investments focus on remediating and redeveloping area brownfields. The NMTC allows Great Lakes to offer new products including tenant loans, financing for brownfields projects, financing for lead abatement and technical assistance to low-income municipalities and nonprofits.
- **Shorebank Enterprise Pacific:** In order to assist low-income communities in the Pacific Northwest, this CDE will subordinate debt and equity to environmentally sensitive commercial properties, industrial properties, brownfields and community development real estate projects.
- **MassDevelopment New Markets LLC:** Four real estate development projects that are not only on brownfields, but are of critical importance to four of the most deeply distressed communities in Massachusetts, will be financed by this CDE.
- **Milwaukee Economic Development Corporation:** This group has a goal to provide “gap” financing for businesses located in distressed areas of the city, including abandoned brownfields properties.

For more information on these and other CDEs, please visit <http://www.cdfifund.gov>

As a certified CDE, the organization can then apply to receive an allocation of New Markets Tax Credits. The NMTC Allocation applications are due in the fall with recipients being announced the following spring.

How the NMTC process functions:

1. An entity applies to the CDFI Fund for certification as a CDE.
2. Once certified, the CDE engages in a competitive application process for the tax credit allocation.
3. If selected, the Fund awards a tax credit allocation to the CDE. (If not selected, the CDE may apply to another existing CDE that has been selected to receive Tax Credits. For example, if the ACME Community Development Corporation does not receive an allocation of tax credits but Jackson Heights Coalition does, ACME can apply to Jackson Heights to receive tax credits. ACME functions as another investor in Jackson Heights.)
4. The CDE secures investors through the sale of stock or issuance of an equity interest in exchange for the tax credits.
5. The CDE uses the resulting investor equity to make investments in low-income communities.

How the Program is Used

Parties interested in using the NMTC Program to supplement brownfields project financing have three primary options.

- The first option for stakeholders is to apply to existing CDEs to fund their projects. Of the 2004 second round CDE allocatees, several have identified brownfields redevelopment as specific goals for their economic development efforts. Brownfields stakeholders are encouraged to access the CDFI Web site for the location of CDEs in their region.
- The second option is for stakeholders to apply for CDE certification themselves, apply for an allocation of tax credits and offer the tax credits to potential investors. Although this process is more complex than the first option, it is viable for entities committed to large scale or long-term brownfields efforts.
- The third option for stakeholders is to apply and become certified as a CDE, then apply to receive equity financing from other CDEs, which have an allocation of New Markets Tax Credits. One of the purposes of a CDE, as defined earlier, can be to invest in projects of other CDEs. Investment by one CDE in another CDE is viable when the proceeds are used for a qualified low-income community investment, including brownfields redevelopment projects.

Advantages for Brownfields Stakeholders

Brownfields stakeholders will also find several advantages by using the NMTC Program for financing brownfields cleanup and redevelopment projects.

- Often, a CDE is willing to structure a more favorable deal than traditional lending institutions for brownfields properties.
- CDEs can offer funding for a full range of redevelopment activities, including land acquisition, environmental remediation, demolition, site preparation, construction, renovation and infrastructure improvements.
- In certain situations CDEs can provide technical assistance for brownfields cleanup. Typically a CDE's staff is knowledgeable of these items.
- CDEs involved with brownfields cleanup and redevelopment projects can "package" funding sources together, including a wide range of federal and local financing credits and initiatives such as tax increment financing and HUD's Community Development Block Grants. Funding can also be used in conjunction with EPA Brownfields grants.
- A certified CDE that is willing to commit the time and resources to apply for an allocation of tax credits may significantly improve its project financing options. An allocation of tax credits offered to investors can be an inducement for investors to commit additional funds for a qualified low-income community investment project.

Community Development Financial Institutions (CDFI) Fund

601 13th Street, NW, Suite 200 South
Washington, DC 20005
NMTC Support Line: 202-622-6355
www.cdfifund.gov

The CDFI Fund Web site is a government site that provides access to CDE application materials and workshops, legal review services of NMTC-related documents, and a map of qualified census tracts and counties under the NMTC Program. The Web site also provides a list of certified CDEs, profiles of community revitalization projects CDEs are targeting, and can guide stakeholders towards possible brownfields project financing.

Low Income Housing Tax Credit

Program Background

The Low Income Housing Tax Credit (LIHTC) provides developers and investors with eligible affordable housing developments, a dollar-for-dollar reduction in their federal taxes. The tax credit is paid annually to investors in a project over a 10-year period.

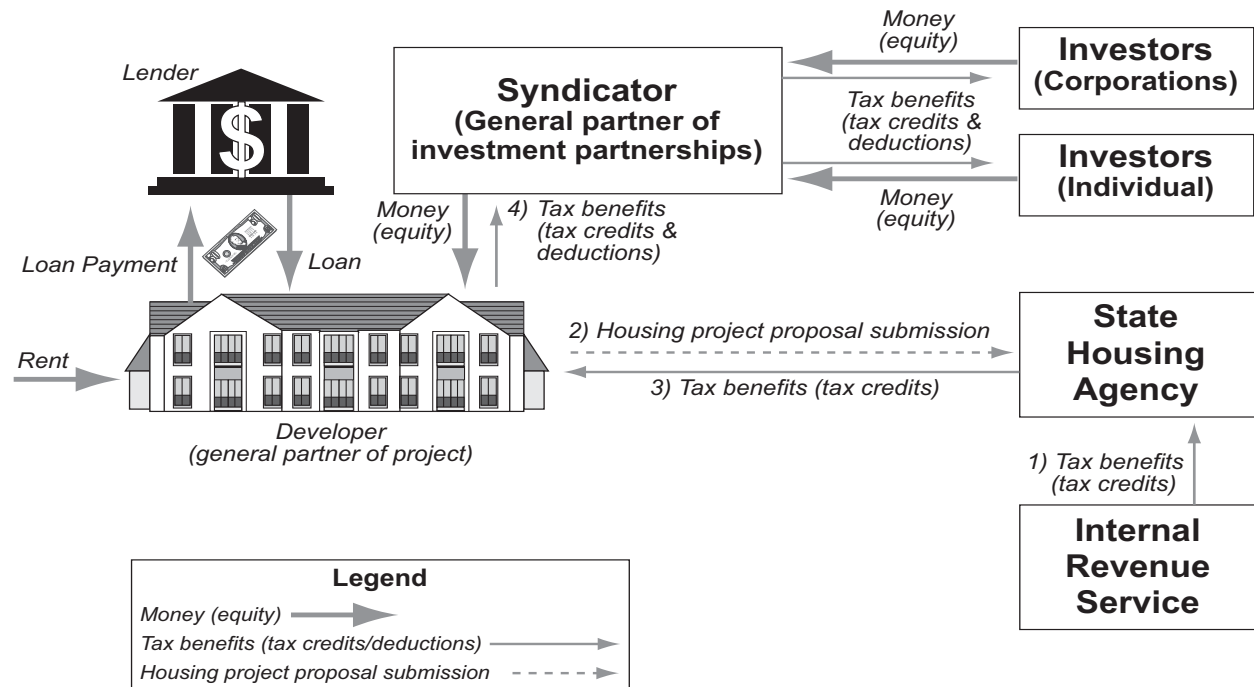
The LIHTC Program has guidelines set forth by the Internal Revenue Service (IRS) whereby each state receives an annual allocation of credits. Each state's allocation is capped. The 2005 cap is \$1.85 multiplied by the state's population, with a minimum of \$2,125,000. For example, the State of Virginia, with a population of approximately 7,400,000 would receive roughly \$13,690,000 in Low Income Housing Tax Credits (7,400,000 x \$1.85). State housing agencies administer the program by reviewing tax credit applications submitted by developers and allocating the credits. As an IRS requirement, projects which serve the lowest-income tenants and guarantee low-rent affordability for the longest time period are given priority. In addition, owners must keep the rental units available to low-income tenants for at least 30 years after completion of the project.

How the Program Functions

To obtain the tax reduction, an investor provides capital or equity that will be used to help in the development of a low-income housing project. The investor who receives the tax credit will not necessarily have a role in the development or management of the project, unless it is the developer of the project claiming the tax credits. A tax credit's value also depends on the type of financing the project is undertaking. All Low Income Housing Tax Credits are taken per year for a period of 10 years. For projects without federal financing, the tax credit's value is approximately nine percent of the development cost, excluding land. For projects with federal financing, the tax credit value is four percent of the development cost. This can be an important factor to consider when researching overall project financing.

The tax credit is available for units rented to low-income occupants. This means that a project must have:

- At least 20 percent of its units rented to households with incomes of 50 percent or less than the area median income; or



SNAPSHOT

Circle F Factory, Trenton, New Jersey

In 1990, the Circle F factory in Trenton, NJ closed. This 1.75-acre site was home to a former watch manufacturing and electrical components plant. By working with the property owner, the city reached a decision that divided the property in half. The two properties were developed separately; one portion was designated for light industrial development while the other was specified for senior housing.

The city selected Lutheran Social Ministries (LSM) to develop the senior housing portion of the property. LSM is an experienced nonprofit developer of housing properties. In June 1995, LSM applied for and received an allocation of federal Low-Income Housing Tax Credits. Today, the property is home to a swimming pool cover manufacturing plant and 75 senior housing units. In addition to the Low-Income Housing Tax Credits, the project used an EPA Brownfields Pilot, an EPA Showcase Community Pilot, the City of Trenton's Neighborhood Preservation Area program and private funding.

- At least 40 percent of its units rented to households with incomes of 60 percent or less than the area median income.

Although the developer may claim the tax credit directly, the most common procedure for investors to receive these credits is through a syndication process. A syndicator acts as a broker between the developer and investors in the project. Syndicators may pool several projects' tax credits into one LIHTC equity fund and offer the credits to investors by buying a piece of the equity fund. This process spreads the risk to investors across various projects. In addition, the investors typically become limited partners in the housing project and have an ownership interest. The developer typically receives a development and property management fee plus a share in any cash flows profits and any gain or profits when the property is sold. By using the investor's equity, the developer is able to complete the project with less debt-service financing; thus the rents for the building can be reduced and serve lower-income individuals.

For example, a developer is looking for investors for an apartment project that is expected to cost \$10 million, including a \$5 million cost for qualified low-income apartments. The Low Income Housing Tax Credits can help finance only the \$5 million portion of the project. The developer is using no other federal financing for the project so the maximum nine percent credit is offered to investors. By buying the tax credits at a discounted value (to reflect the 10 years the investors must wait to use them completely), the investors will be able to claim nine percent of \$5 million or \$450,000 each year over a 10-year period. This will total \$4.5 million over a 10-year period which translates to a substantial amount for investors to

reduce their taxable income. By marketing this tax advantage to investors, the developer can receive the discounted value of the tax credits as a current cash infusion in the project.

How the Program is Used

Brownfields stakeholders can use the Low Income Housing Tax Credits to assist with financing for low-income housing projects. While the tax credits program can be used for either the construction of new buildings or the rehabilitation of existing buildings, this can include several different project types.

- The rehabilitation of existing buildings can include the conversion of buildings located on contaminated properties such as former warehouses or factories.
- The program can be especially advantageous for nonprofit groups, such as Community Development Corporations, because each state must set aside at least 10 percent of its credit allocation for projects developed by nonprofits. The nonprofit can sell the credits to investors or syndicators and become the principal partner in the project. The tax related value of these tax credits would be of little use to nonprofits since they are already exempt from paying taxes.
- State allocation plans may vary in their treatment of projects sponsored by local housing authorities (LHAs). Some states may award bonus points to such projects; others require that LHAs work with nonprofit organizations to be eligible to apply for tax credits. Stakeholders interested in information about specific policies which promote geographic targeting or encourage rural or distressed urban neighborhood projects should contact their state housing authorities.

Advantages for Brownfields Stakeholders

There are several advantages to brownfields stakeholders ranging from cost savings to opportunities to leverage this program with others. Specific advantages include:

- An opportunity to restore buildings, some of which may have an historical significance to provide affordable housing; often these idle brownfields properties are located in distressed neighborhoods that may benefit from low-income housing options.
- The tax credits offer a strong incentive for investors to consider financing a low-income housing project on a brownfields property. This may be especially true if a syndicator is able to pool the tax credits from several projects together and create an LIHTC equity fund because it would further reduce the liability risk for the investor.
- These tax credits can be combined with the Federal Historic Preservation Tax Incentives relatively easily if an identified property for low-income housing development is located in a historical building.

There is no real “home” Web site to find information about the LIHTC. There is information on the HUD User Web site which contains an extensive database for information on over 20,000 projects that have used the LIHTC.

HUD User

P.O. Box 23268

Washington, DC 20026-3268

Toll Free: 1-800-245-2691

<http://www.huduser.org/datasets/lihtc.html#about>

National Low Income Housing Coalition (NLIHC)

727 15th Street NW, 6th Floor

Washington, DC 20005

202-662-1530

www.nlihc.org

Federal Historic Preservation Tax Incentives

Program Background

The Federal Historic Preservation Tax Incentives program was created to help preserve historic buildings from demolition and to encourage reuse of old structures. This program is managed by both the National Park Service (NPS) and the Internal Revenue Service (IRS). There are two basic incentives; one for the restoration of historic properties and one for non-historic properties.

The Federal Historic Preservation Tax Incentives are available for buildings that are National Historic Landmarks, listed in the National Register or contribute to National Register Historic Districts. The Incentives are also available for the rehabilitation of older buildings built before 1936 that do not have a historic status associated with them. All restored buildings and properties must be income-producing and rehabilitated according to standards set by the Secretary of the Interior. A substantial number of these buildings may be located in distressed urban areas. These tax incentives offer a unique opportunity for assistance with the cleanup and rehabilitation of historical properties.

How the Program Functions

The Preservation Tax Incentives reward private investment through rehabilitating historic properties such as offices, retail stores, warehouses, factories and rental housing. The current tax incentives offered by this program are two different tax credits, which directly reduce the amount of tax owed by a property owner. These two tax credits are mutually exclusive and their use depends on the type of building.

- A 20 percent tax credit for the certified rehabilitation of certified historic structures.

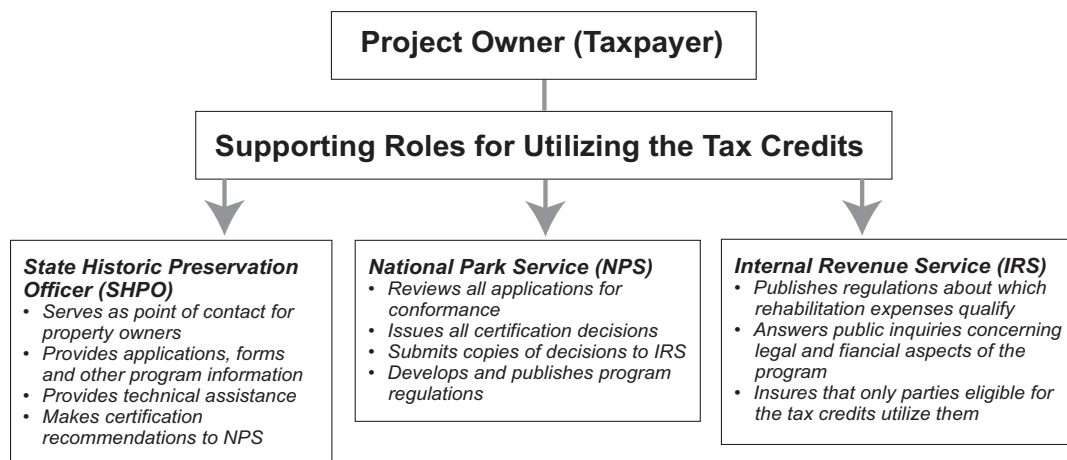
- A 10 percent tax credit for the rehabilitation of non-historic, non-residential buildings built before 1936.

The 20 Percent Tax Credit

The 20 percent tax credit is available for historic properties rehabilitated for commercial, industrial, agricultural or rental residential purposes, but not for properties used exclusively as an owner's private residence. A certified rehabilitation is a rehabilitation of a certified historic structure that is approved by the NPS as being consistent with the historic character of the property. The NPS must approve all rehabilitation projects seeking to use the 20 percent tax credit. A certified historic structure can be defined as a building that is listed individually on the National Register of Historic Places or a building that is located in a registered historic district and certified by the NPS as contributing to the historic significance of that district. Owners seeking to claim the 20 percent tax credit must undergo a detailed application and certification throughout the rehabilitation work process. Only projects which meet the Standards for Rehabilitation as set forth by the NPS may claim the 20 percent tax credit. Generally, the tax credit is claimed for the year the rehabilitated building is placed back in service. The owner of the building must hold it for five years after completing rehabilitation or risk recapture of the tax credit. In addition, a rehabilitation project must meet several criteria set up by the IRS, including:

- The building must be depreciable.
- The rehabilitation must be substantial (i.e. expenditures must be greater than \$5,000).
- The property must be returned to use.
- The building must be a certified historic structure when it is placed in service.

The taxpayer uses the three following entities for claiming the tax credits:



The 10 Percent Tax Credit

The 10 percent tax credit is available for the rehabilitation of non-historic buildings built before 1936. This credit applies only to non-residential use properties. Former factories or manufacturing centers located on a contaminated property — characteristics common to many brownfields sites — would easily qualify for this tax credit. Projects which plan on utilizing this tax credit must meet several physical structure tests, including:

- At least 50 percent of the building's external walls which exist at the time the rehabilitation begins must remain in place as external walls.
- At least 75 percent of the building's existing external walls must remain in place as either external or internal walls.
- At least 75 percent of the buildings internal structural framework must remain in place.

How the Program is Used

These Tax Incentives can be especially attractive for cleanup and restoration of either historic or pre-1936 properties. The types of projects that can be included in these categories are extensive, including schools, factories and warehouses. Many of these properties may also be located in federal (i.e. Renewal Communities/Empowerment Zones/Enterprise Communities) or locally designated zones which offer further incentives for brownfields cleanup and redevelopment projects.

Advantages for Brownfields Stakeholders

The developer of a brownfields property can choose to sell tax credits in exchange for a cash investment in the project. This can translate into more project funding if a developer would rather have a larger cash flow for cleanup and/or redevelopment efforts than the tax credits.

Stakeholders interested in using this tax incentive should be aware of the opportunities to combine it with other tax initiatives and thereby increasing potential project savings. The tax credits can also be used in conjunction with other tax incentives such as:

- The Internal Revenue Code and the Department of Treasury provide for income and estate tax deductions for charitable contributions of interests in historic property. This was set forth in the Tax Reform Act of 1986. Owners of contaminated properties may be willing to consider property interest donations with this tax provision and take the tax deduction.
- The Low Income Housing Tax Credit which provides either a nine percent or four percent tax credit per year for 10 years, depending on whether projects received certain federal assistance such as tax exempt bonds or below-market federal loans. If the maximum amount of each credit were obtained and utilized, the credits would have a combined value of 29 percent. For example, if a project has converted an historic school into condos, the housing project would be completed

SNAPSHOT

American Can Factory, New Orleans, Louisiana

The American Can Factory in New Orleans, Louisiana was converted into a housing complex containing both high-end and affordable units. The American Can Factory originally consisted of six buildings. After the factory closed, the New Orleans Historic District and Landmark Commission and the City Council designated it as an historic site in 1984. It was subsequently placed on the National Historic Register. Historic Preservation, Inc. purchased the property and proceeded with rehabilitation efforts. In total, the property required \$1.7 million in demolition costs and is a \$43 million project overall. The developer, who received the Federal Historic Preservation Tax Credits, was able to sell them to the Kimberly Clark Corporation in exchange for a cash investment in the project of \$8,500,000.

Use of the federal historic tax credits at the American Can Factory required that the project strictly maintain the historic look and feel of the building. Redevelopment plans included efforts to retain a large portion of the historic aspects of the property. The apartments retained existing signs, factory markings, giant metal doors, weights, huge windows and massive beams. The developer also worked with numerous local, state and federal partners to take advantage of funding opportunities. Several other federal and state incentives were used for this project, including the Community Development Block Grants and Brownfields Economic Development Initiative programs administered by the Department of Housing and Urban Development. This project utilized the 20 percent tax credit which produced an estimated \$7,000,000 in federal tax credits.

in an historic structure and therefore eligible for the 20 percent credit. If the condos being developed have a low-income housing portion, they would be eligible for the nine percent low income tax credit (assuming no other federal financing was used.) The investor who has the tax credits would be able to use the 20 percent once the building was placed back in service. The nine percent tax credit is available to the investor per year, for 10 years. The American Can Factory in New Orleans are examples of projects which successfully combined these two tax credits.

National Park Service

Federal Historic Preservation Tax Incentives,
Heritage Preservation Services
1201 Eye St. NW
Washington, DC 20005
202-354-2031
<http://www.cr.nps.gov/hps/tps/tax/>

The National Park Service (a division of the Department of the Interior) Web site is a government run site that provides access to detailed tax incentive information, regulations, applications and rehabilitation standards.

Program Background

The Community Reinvestment Act (CRA) is not a specific program for brownfields projects in the sense that brownfields stakeholders can apply to take advantage of it. It is a set of policies that banks adhere to that can benefit brownfields redevelopment. Below is a brief description of the program and how it relates to brownfields redevelopment projects.

In 1977, Congress enacted the CRA to encourage federally-insured lending institutions to meet the credit needs of their communities, including low- and moderate-income neighborhoods. The CRA applies to federally insured depository institutions, national banks, savings associations and state-chartered commercial and savings banks. The federal agencies implementing the CRA regulations are the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Federal Reserve Board (FRB).

In 1995, the OCC released revised CRA regulations including new guidance for federal agencies to evaluate financial institutions' records of serving their communities that focused on objective, performance-based assessment standards to minimize compliance burdens. The extent of the CRA evaluation is determined by the institution's size and business strategy.

In 1999, the Financial Services Modernization Act further revised CRA regulations, wherein lending institutions must have satisfactory CRA ratings before the institution, or its holding company, affiliates or subsidiaries, can engage in any expanded financial activities. The revisions changed the frequency of the exam cycle for regulated financial institutions with assets of \$250 million or less. The revisions also established the "sunshine" provision which requires public disclosure of agreements entered into by depository institutions and community organizations in fulfillment of CRA obligations.

How the Program Functions

Under the CRA, regulated financial institutions have continuing obligations to help meet the credit needs of the communities in which they are chartered. The CRA provides evaluation guidelines for the federal agencies to assess a lending institution's record of meeting the credit needs of its community. Under the guidelines, lending institutions receive one of four CRA ratings: outstanding, satisfactory, needs to improve or substantial noncompliance. A rating of *outstanding* or *satisfactory* means that the lender has met its obligation to satisfy the credit needs of communities. A rating of *needs to improve* or *substantial noncompliance* reflects a failure on the part of the lending institution to meet the communities' credit needs. Poor CRA ratings do not result in immediate sanctions but can interfere with an institution's plans for service changes or merging with other financial institutions.

- **Large lending institutions** with assets greater than \$250 million are evaluated approximately every two years using a lending, an investment and a service test.
- **Small lending institutions** with assets less than \$250 million are evaluated using a streamlined test administered at variable intervals depending on current CRA ratings. The streamlined test does not include an investment or service test and is administered every four years for institutions with a *satisfactory* CRA rating and every five years for institutions with an *outstanding* CRA rating. The streamlined test focuses on lending performance with five criteria: loan to deposit ratio, majority of loans in assessment area, distribution of loans to borrowers, distribution of loans by geography and responsiveness to public comments.
- **Wholesale institutions** are those that do not provide home mortgage, small business or consumer loans to retail customers. Limited purpose institutions offer narrow product lines such as credit card or motor vehicle loans. Both of these types of institutions are evaluated based on community development lending, investments and services.

All institutions can submit a strategic plan for regulatory review as a substitute for the CRA evaluation. The strategic plan should outline a multi-year program of up to five years for satisfying a community's credit needs and must include a high level of public participation. The strategic plan should satisfy the credit needs of a bank's assessment area and address the lending, investment and service criteria that are a part of the usual evaluation. Federal regulators must approve the strategic plan with at least a *satisfactory* rating in order for the bank to forego the CRA evaluation process.

How the Program is Used

In 1997, EPA announced its original Brownfields Action Agenda in response to the widespread economic development obstacles posed by urban brownfields. The Agenda encouraged a cooperative approach among federal partners, lenders and prospective purchasers to ease fears of financial liability and regulatory burdens. The primary underlying concerns among financial institutions were lender liability and confusion about levels of contamination and the necessary cleanup (i.e. the difference between Superfund properties and brownfield properties.) Through this federal agreement, EPA has coordinated with the OCC to create incentives within the CRA regulations for economic revitalization and development. CRA regulations allow banks to meet their CRA obligations by making loans for the cleanup or redevelopment of brownfields as part of their community revitalization efforts.

Advantages for Brownfields Stakeholders

Lenders subject to the CRA can claim credits for loans made to help finance the environmental cleanup or redevelopment of an industrial property when it is part of an effort to revitalize properties in low- and moderate-income communities. This can be advantageous for brownfields projects. For example, if a new low-income housing development is constructed instead of a commercial development project, it may not generate as much income in the community, but the housing may be more beneficial for increasing the quality of life of the citizens. A lender will take this aspect into consideration when making a loan and can fulfill CRA obligations for the bank at the same time.

Office of the Comptroller of the Currency

Compliance Division

250 E Street, SW - Mail Stop 6-7

Washington, DC 20219

Telephone: 202-874-4428

<http://www.occ.treas.gov/crainfo.htm>



**Brownfields Federal Support Case Studies —
Denver, Colorado and Eastward Ho!, Florida
A Resource Guide to Grant Writing**

Denver, Colorado

Denver, Colorado has enjoyed a stable and established economy for many years. The traditional western enterprises of ranching, livestock husbandry and meatpacking gave way to more diverse sources of income and tax generation after World War II. Energy production, tourism and technology firms, along with an investment in the city itself, helped establish Denver as one of the most livable cities in the western United States. Today, the city is referred to as the *High-Tech Cow Town* because of its traditional western roots and new technology-sector businesses.

Denver was selected as a Showcase Communities. These communities demonstrate the benefits of collaborative activity on federal, state and local levels for brownfields. Within Denver, the neighborhoods of Globeville, Elyria/Swansea and Northeast Parkhill were targeted due to a high number of brownfields. These neighborhoods are heavily impacted by industrial uses and have not benefited from Denver's growing economy. More than one-third of the 3,979 acres in these neighborhoods is zoned for industrial use.

In 2005, Parkhill Community, Inc., a local nonprofit was selected to receive a \$200,000 EPA Brownfields Cleanup grant. Parkhill Community, Inc. is targeting the run-down Dahlia Shopping Center and adjacent residential properties in the Northeast Parkhill neighborhood. In April 2005, the property was purchased by Parkhill Community, Inc., who will direct and oversee the cleanup and demolition of the shopping center under a contract with Denver Urban Renewal Authority (DURA). In addition, the City of Denver has allocated \$3.5 million to DURA for the property's initial cleanup and demolition in preparation for a sale to potential developers. Cleanup of the Dahlia Square Shopping Center site will allow the community to proceed with its plans to sell the property for redevelopment into a mix of attached residential units, senior housing, and commercial and civic facilities. This revitalization is expected to provide jobs and market-rate housing to a growing area of the city.

To date, many federal agencies are involved in the efforts to remediate and redevelop brownfields properties in the City of Denver. The federal partners involved include:

U.S. Environmental Protection Agency

EPA has awarded over \$3 million to further brownfields redevelopment strategies in Denver and the surrounding communities, including the following grants and pilots:

- A 1997 \$350,000 Brownfields Cleanup and Revolving Loan Fund awarded to Commerce City and north metro Denver area to clean up, redevelop and reuse the area's brownfields.
- A 1997 Brownfields Assessment Demonstration Pilot and 2000 Supplemental Assistance Pilot for a total of \$350,000 awarded to Englewood to address many of the Denver area's heavy manufacturing industrial challenges.
- A 1997 \$175,000 Brownfields Assessment Demonstration Pilot for the Sand Creek Corridor; a 20-square mile area located in Northeast Denver which is heavily impacted by industry.
- A 1999 \$1.7 million Brownfields Cleanup RLF awarded to the Colorado Department of Public Health and the Environment for the Coalition of Cities of Englewood, Lakewood, Loveland and Denver.
- A 1998 and 2005 Brownfields grants totally \$600,000 awarded to Lakewood, a city on the western edge of Denver, where the decline of the DL&G rail lines left a legacy of deteriorating industrial and commercial districts on the once prominent mile-wide transit corridor.

In addition, the City of Denver has received grant fund to assess and clean up these sites from the Underground Storage Tank (UST) program, USTfields. To date, over \$30 million has been raised to pay for the project's cleanup and redevelopment costs, including support from:

U.S. Department of Housing and Urban Development

The U.S. Department of Housing and Urban Development provided \$40 million in grants and loan guarantees for Denver brownfields projects, including Economic Development Initiative, Section 108 loans and Community Development Block Grant Funds.

U.S. Department of Commerce-Economic Development Administration

The Economic Development Administration provided a number of inner-city redevelopment grants, including one for \$800,000 for the Northside Treatment Plant project.

U.S. Department of Energy

The U.S. Department of Energy helped Denver research the concept of eco-industrial parks and sustainable development for the Northside Treatment Plant.

U.S. Army Corps of Engineers

The U.S. Army Corps of Engineers worked with Denver to revitalize the South Platte River Corridor. The project has identified 16 potential brownfields sites along the South Platte River for potential remediation and development.

U.S. Department of Defense: Army National Guard

The National Guard contributed federal funds towards the construction of an armory on the Northside Treatment Plant property.

Eastward Ho!, Florida

The counties of Miami-Dade, Broward, West Palm Beach, Martin and St. Lucie are all part of the southeast Florida region. These counties have experienced large population growth in the past two decades and serve as a gateway for North, Central and South America and the Caribbean. In addition, this region of Florida is known for its subtropical and natural environment, being a major tourist destination and its multicultural community.

The Eastward Ho! Initiative was established in 1995 to direct future growth to the region's urban core and away from the threatened Everglades ecosystem to the west. Eastward Ho! was designated as a Brownfields Showcase Community in 1998. The Eastward Ho! Brownfields Partnership is comprised of local, state, regional and federal government agencies, as well as public, private and nonprofit community organizations in southeast Florida.

The Eastward Ho! corridor spans approximately 115 miles along the eastern portions of Palm Beach, Broward and Miami-Dade counties and has a combined population of more than two million. While the entire corridor is not characterized by poverty, it does contain communities that are severely distressed. Three state-designated Enterprise Zones fall within the corridor and much of the Miami-Dade County portion of the corridor is located within a federally designated Enterprise Community. The corridor, which developed between and around the CSX and Florida West Coast Railroads, contains more than 2,100 known contaminated sites, varying widely in size, degree and type of contamination.

By focusing on efforts to preserve the Everglades and other natural resources through infill development, urban revitalization and economic development, brownfields cleanup and redevelopment projects are the center of the Eastward Ho! Initiative.

The Eastward Ho! Brownfields Partnership has a commitment of achieving the following goals:

- Promoting environmental justice
- Coordinating existing statutes, programs and other efforts related to brownfields
- Establishing processes to achieve timely, productive and sustainable reuse of brownfields properties as they are identified
- Approaching brownfields in the context of broader regional economic development, neighborhood development, environmental protection and urban revitalization objectives
- Implementing participatory solutions involving residents and neighbors of contaminated sites

To date, the partnership has held several successful regional conferences which target private investment, intergovernmental partnerships and community outreach techniques and methods. In addition, according to EPA data, environmental assessment activities have started on over 260 properties and over \$190 million dollars have been leveraged for redevelopment or construction activities. Currently, activities are focusing on helping communities structure deals to redevelop brownfields, increasing private sector involvement in brownfields redevelopment activities and fostering partnerships.

Federal partners and their varied contributions have been a cornerstone of the Eastward Ho! Initiative. The Federal Partners involved in the project include:

U.S. Department of Agriculture: U.S. Forest Service

The U.S. Forest Service provided technical assistance through the Natural Resources Conservation Service to the South Florida Community – Urban Resources Partnership.

U.S. Department of Commerce: Economic Development Administration

The Economic Development Administration allocated a Local Technical Assistance Planning Grant of \$30,000 to develop a Southeast Florida Brownfields Resource Directory. In addition, \$24,000 was provided to develop a framework for the brownfields toolbox/information guide.

U.S. Army Corps of Engineers

The U.S. Army Corps of Engineers (USACE) provided technical assistance on how to obtain assistance, contracting and assessments from USACE offices in Jacksonville.

U.S. Department of Health and Human Services: National Institute of Environmental Health Sciences

The National Institute of Environmental Health Sciences awarded a Brownfields Minority Worker Training Program grant of approximately \$200,000 to Clark Atlanta University to target two counties in the Eastward Ho! project area. In total, over 40 students graduated from the course.

U.S. Department of Housing and Urban Development

Through Miami-Dade County's Enterprise Zone designation, the U.S. Department of Housing and Urban Development (HUD) provided \$3 million in funding and \$130 million in tax-exempt bond authority over 10 years. In addition, HUD provided technical assistance primarily in the areas of brownfields, affordable housing and economic development.

Additional HUD funds were received by Miami-Dade County through a Brownfields Economic Development Initiative (BEDI) grant of \$1.75 million (with a \$5 million Section 108 guaranteed loan) and an Economic Development Initiative (EDI) grant of \$2 million (with a \$40 million Section 108 guaranteed loan).

HUD's Hispanic-Serving Institutions Assisting Communities Program contributed \$400,000 to the Hemispheric Center for Environmental Technology at Florida International University to assist the city of Opa-Locka to redevelop a contaminated vacant lot into a community gymnasium. Opa-Locka will provide \$400,000 in matching funds. Miami-Dade County has established a revolving loan fund of \$300,000 from recaptured Community Development Block Grant funds to assist with brownfields assessments that will lead to redevelopment activities.

U.S. Department of Justice: Executive Office of Weed and Seed

The Executive Office of Weed and Seed established two Weed and Seed target areas: one in Miami/Miami-Dade County and one in Fort Lauderdale.

U.S. Department of Transportation

The U.S. Department of Transportation provided technical assistance to the Broward County and Palm Beach County Metropolitan Planning Organizations.

U.S. Environmental Protection Agency

The Environmental Protection Agency (EPA) has provided over \$2 million to further brownfields redevelopment strategies in the Eastward Ho! communities, including the following grants and agreements:

- Awarded the Southeast Florida/Eastward Ho! Brownfields Partnership with a Brownfields Showcase Community Pilot grant of \$200,000 and an additional \$200,000 for a two-year federal employee assignment to work in the offices of the South Florida Regional Planning Commission.
- A \$200,000 Brownfields Job Training and Development Demonstration Pilot grant to Miami-Dade Community College and general technical assistance on brownfields-related issues in the EPA South Florida Office.
- Miami-Dade County Brownfields Assessment and Demonstration Pilot grant of \$200,000 (including \$65,000 in supplemental funding and a \$50,000 Targeted Brownfields Site Assessment Project).
- An interagency agreement with USACE and \$76,000 in funding to perform brownfields-related activities in Miami-Dade County.
- A Brownfields Assessment and Demonstration Pilot grant of \$100,000 awarded to the City of Miami with supplemental funding of \$135,000.
- A 2001 EPA RLF Pilot grant of \$500,000 to the South Florida Regional Planning Council.
- Targeted Brownfields Site Assessment Project funding of \$50,000 awarded to North Miami Beach.
- Technical assistance through EPA Region 4 with the Miami River Parcel Inventory and Assessment Project.
- A Brownfields Assessment and Demonstration Pilot grant of \$200,000 awarded to Fort Lauderdale.
- A Brownfields Assessment and Demonstration Pilot grant of \$250,000 awarded to Opa-Locka (including an additional \$50,000 through a Targeted Brownfields Site Assessment Project to fund projects at up to seven sites).
- An interagency agreement with USACE and \$200,000 in funding to perform brownfields-related activities with the Seminole Tribe of Florida.
- A 2005 Brownfields Cleanup grant of \$200,000 awarded to the City of Homestead.

U.S. General Services Administration

The U.S. General Services Administration provided technical assistance on how to use surplus federal property.

Steps to Successful Grant Writing

1. Identify the Project

Break it into smaller projects, distinct steps. Be able to describe the proposed project in a series of steps / bullets with a feasible time frame to achieving your goals.

2. Engage Appropriate Stakeholders

Members of local government, private sector partners, community groups. Identify how the project will impact them — seek their support through letters, in kind resources and engagement on the project.

3. Create a Project Team

Create a project team to assemble the grant. This includes a person to write the grant, a person with technical expertise about the proposed project and appropriate leaders who will be able to sell the project as well as give the final sign off.

4. Brainstorm about Possible Funders

How do the components of the project (e.g., greenspace creation, bike paths) match to funders? Does the project have economic development, community engagement, public works, parks and recreation or other components that can attract a different sort of funding. It is important to think strategically about how parts of a project can be funded.

Process Flow



Send a thank you note, or request a de-brief to learn why your project was not accepted.

Your Grant Application

NOTE: guidelines vary, but they are generally some version of:

- Executive Summary
- Introduction
- Statement of Need (what is your justification for this project)
- Objectives (what are you going to accomplish)
- Action Plan/Methodology
- Evaluation Procedure (How will you prove success?)
- Funding (what amount of money do you need for what activities?)
- Sustainability (what happens after the grant?)
- Summary (this is what you are going to do and how it is going to change the world)

Create a Plan of Action

- Identify the target audience for a grant (agency, office, personnel).
- Describe the activities to achieve the desired outcome.
- Justify the project — how is it a product of long term planning or part of a larger picture (e.g. included as a part of a comprehensive plan)?
- Create a timetable for activities.
- Develop a realistic budget for the project (is part of the project already funded, do you have in-kind support?).
- Identify Funders.
- Does the funding opportunity/mission fit with the goals of your organization (and vice versa — is your program compatible with the mission of the funder)?
- Is there a required match?
- Do you have internal (within your organization) and external (stakeholders) support?
- Do you have / can you create a relationship with the funder?

- How time consuming is it to write and/or manage the grant — will it be worth it?
- Are past awards within the scope of what you need?
- Is your award type/region of the country, etc. — attractive to the funder?
- Talk to the Grant officer.
- Ensure that you have read the description and application.
- Ask about common mistakes that applicants make.
- Briefly describe your project and get some feedback about how you can pitch it.
- Ask if your application will be competitive.

Create an Evaluation Framework

Grant makers increasingly want to know how grantees will measure results. Therefore, it is important to include a solid evaluation framework as a part of your application. What are you planning to do, how are you doing it; why are you doing it? — present in an easy-to-understand manner.

- Develop evaluation criteria.
- Why are you evaluating?
- Where does evaluation start?
- What questions should be asked?
- What data needs to be collected?
- How can the data be analyzed (in what manner, by whom?)
- What conclusions will be drawn from the data?
- How are results communicated?
- What are the next steps . . . how can sustainability be ensured from evaluation?

Discuss Project Sustainability

- What will happen to the life of this project after funding ends? Will it be self-financing, what resources will ensure its sustainability?
- Write the grant.

What Funders Look for During an Evaluation

NOTE: Evaluation specifics vary, depending on program requirements, but in general the following apply:

- Eligibility
- Required Forms
- Minimum matching funds
- Submitted on time
- Consistency between budget and narrative
- Proposed activities respond to documented need
- Applicant can deliver what the funding agency wants and what the grant proposal promises
- Grant funds will be managed properly
- Applicant can demonstrate and measure results

Who should review and critique your application?

- Editor: to read the text.
- Financial person: to double check the numbers.
- Critic: to make sure it all makes sense.

Evaluation Resources

Resources referenced here are ones that provide basic information on evaluation and evaluation methods used in the social sciences.

Bureau of Justice Assistance

Find useful resources for planning and implementing program evaluations and for developing program performance measures.

<http://www.ojp.usdoj.gov/BJA/evaluation/>

Center for Social Research Methods

This Web site provides a wealth of information about social science research methods, as well as links to other information Web sites.

<http://www.socialresearchmethods.net/index.htm>

Joint Committee Standards

This site provides a summary of standards for evaluation to help in designing, managing and reviewing evaluation studies.

<http://www.wmich.edu/evalctr/jc/JC-Home.htm>

United Way of America: Outcome Measurement Resource Network

This Web site provides an overview of a manual for measuring program outcomes and some illustrative excerpts.

<http://national.unitedway.org/outcomes/resources/mpo/>

The Kellogg Foundation Evaluation Handbook

This handbook provides a framework for thinking about project evaluation and outlines a blueprint for designing and conducting evaluations.

<http://www.wkkf.org/Pubs/Tools/Evaluation/Pub770.pdf>

